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17 May 1982

## SOUTH AND EAST ASIA REPORT

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## BRIEFS

TRIBAL LEADERS' MESSAGE--Rangarh (Chittagong Hill Tracts)--March 31--Tribal leaders Mr Nakul Chandra Tripura, Mong Mrihla Prue and Mong Kong Chai Dhowdhury, headman of 229 Rangarh Mouza of this district, in a joint statement congratulated the Chief Martial Law Administrator Lt General H.M. Ershad for the promulgation of Martial Law in the country, reports BSS. The Tripura and Marma tribal leaders expressed the hope that the country will prosper under the leadership of General Ershad. They prayed to Almighty to grant General Ershad the strength to lead the nation to prosperity. [Text] [Dacca THE BANGLADESH OBSERVER in English 1 Apr 82 p 1]

SUGAR PRODUCTION STATISTICS--Sugar mills of the country have exceeded all-time record by producing nearly one lakh and 75 thousand tons of sugar. A Sugar Corporation source told BSS on Wednesday that the 14 sugar mills of the country have produced 1,79,211 tons of sugar till March 25. The production target of these sugar mills for the ongoing season was fixed at 1,64,007 tons, the source added. The source also pointed out that the target of the mills fixed by the authority for crushing sugarcane was 20,48,380 tons during the 1981-82 crushing season. The mills have already crushed 21,02,514 tons till March 25. The sugar mills also recorded the highest percentage of sugar recovery. The average sugar recovery of the mills was 8.00 but the actual percentage recorded during the season was 8.34. The highest percentage of sugar recovery was recorded by the Faridpur Madhukhali Sugar Mills. The target of recovery was 7.50 but the mills had achieved success in securing 8.46 percent. The second highest recovery was recorded by the Kushtia Sugar Mills, the source said. [Text] [Dacca THE BANGLADESH OBSERVER in English 1 Apr 82 p 12]

CSO: 4220/7174

## OPPOSITION PARTIES UNITE FOR ASSEMBLY ELECTIONS

Bombay THE TIMES OF INDIA in English 17 Apr 82 p 1

[Text] Chandigarh, April 16--The opposition unity convention today set a unified command comprising Mr Chandra Shekhar, Mr Sharad Pawar and Mr Biju Patnaik (convener) for conducting the joint campaign for the assembly poll.

The unified command will also select joint opposition nominees. Its decisions on the joint opposition's poll strategy will be final.

The convention, at its concluding session today, also finalised a time-bound programme for stepping up the drive for opposition unity. The programme was announced as an addenda to the unity resolution moved yesterday.

A furious four-hour squall last night razed to the ground the convention pandal and the tented town set up to accommodate the delegates. Today's session was held under the scorching sun in the Parade Grounds as the pandal could not be re-erected.

Piloting the resolution, Mr Madhu Dandavate visualised the possibility under which the joint opposition candidates nominated by the unified command would pose a straight challenge to the Congress (I) nominees at the polls.

### Mass Struggle

The three-point action programme envisages unification of the three parties--the Janata, the Congress (S) and the Lok Dal. It is not very clear whether unity or merger is the goal within the next three months. The immediate goal is the conduct of a joint poll campaign. The participants will also hold unity conferences in all states.

During the coming six months the participants will launch peaceful "mass struggles" on three issues--the payment of remunerative prices to peasants for their produce and fair wages to agricultural labour, jobs to the unemployed and protection to weaker sections, including Harijans, women and backward classes.

The unity resolution along with the three-point action programme was supported, among others, by Mr Pawar and Patnaik.



The convention's outcome marked an immediate gain for the Haryana Lok Dal leader, Mr Devi Lal, who having been disowned by his parent body found ready support in the opposition camp.

UNI adds: Briefing reporters after the convention this afternoon, the Janata Party president, Mr Chandra Shekhar said a common symbol and a list of common candidates would be announced in three or four days.

It may be noted that the filing of nominations for all elections, polling for which is to be held on May 19, begins tomorrow.

The Janata Party president assured the delegates that there were no differences among the leaders present on the occasion on the leadership issue. Though difficulties were bound to come, he said, "we will face them and succeed in the end."

On the success of the convention, Mr Chandra Shekhar told reporters that not only was it a first step towards unity but had also brought the three parties closer to their destination.

In his press briefing, Mr Chandra Shekhar said a new name for the unified party would be announced only after real unity was achieved. He denied there were any differences or difficulties in evolving the three-point time-bound programme.

He said stagnation in the unity talks which began this year had ended, starting a process which would culminate in a unified, new or a rejuvenated party.

CSO: 4220/7167

## ELECTION COMMISSION LISTS RECOGNIZED POLITICAL PARTIES

New Delhi PATRIOT in English 13 Apr 82 pp 1, 7

[Text] Six parties will continue to enjoy the status of a national party and 14 the status of a state party, following a review by the election commission of the position of the recognised parties with reference to their poll performance at the 1982 Lok Sabha and Assembly elections held in 1979, report PTI, UNI.

The national parties are: Bharatiya Janata Party, Communist Party of India, Communist Party of India (Marxist), Indian National Congress (Cong-I), Janata Party, and Lok Dal.

The Indian Congress (Socialist)--Congress IS)--has been accorded the national party status "until further orders" the announcement said.

Five State parties have been de-recognised as State parties, while 12 registered parties in the States have been de-registered.

Twelve other parties have been accorded the status of registered unrecognised parties in the States or Union Territories.

The commission's review was in pursuance of the symbol order. As a result of the review, the parties which had fulfilled the test in the order in four or more States and Union Territories will continue to be treated as national parties.

**Notification**

The commission issued a formal notification on Monday giving effect to the result of its review under the Symbols Order, 1968, specifying the parties and their status along with the symbols.

Indian Congress (Socialist) will be a recognised national party until further orders, having regard to the terms of the commission's order of 23 July 1981.

The following parties will continue to enjoy the status of a State party in respect of the State or States mentioned against each:

Plains Tribal Council of Assam (Assam), Jammu and Kashmir National Conference (J and K) Jammu and Kashmir Peoples Conference (J and K), All-India Muslim League (Kerala), Kerala Congress (Kerala), Muslim League (Kerala), Revolutionary Socialist Party (Kerala and West Bengal), Kerala Congress (J) (Kerala), Peasants' and Workers' Party (Maharashtra) Kuki National Assembly (Manipur), Manipur People's Party (Manipur), All-Party Hill Leaders' Conference (Meghalaya), Public Demands Implementation Convention (Meghalaya), Naga National Democratic Party (Nagaland), (name changed from United Democratic Front), Shiromani Akali Dal (Punjab), Sikkim Congress-R (Sikkim), Sikkim Janata Parishad (Sikkim), Sikkim Prajatantra Congress (Sikkim) All-India Anna Dravida Munnetra Kazhagam (Tamilnadu and Pondicherry), Dravida Munnetra Kazhagam (Tamilnadu and Pondicherry), All-India Forward Block (West Bengal) People's Party of Arunachal (Arunachal Pradesh), Maharashtrawadi Gomantak (Goa, Daman and Diu), People's Conference (Pondicherry) Tripura Upajati Juba Samiti (Tripura).

The following are the registered parties in the States-Union Territories mentioned against each:

Backward and Depressed People's Protection Front (Tamilnadu) Doordarshi Party (Gujarat and Uttar Pradesh), Gandhi Kamraj Nation (Congress), (Tamilnadu), Jharkhand Party (Orissa), Jharkhand Mukti Morcha (Bihar), Naga National Party (Nagaland), National Democratic Party (Kerala), Republican Party of India (Maharashtra), Socialist Unity Centre of India (West Bengal), Tripura State Congress for Democracy (Tripura), Tamilnadu Congress-K (Tamilnadu).

The following five State parties have lost their recognition as State recognised parties:

Kerala Congress (Pillai group) (Kerala), Hill State People's Democratic Party (Meghalaya), National Convention of Nagaland (Nagaland), Sikkim Scheduled Castes League (Sikkim), Vishal Haryana Party (Haryana).

The following registered parties lost their status of registered parties:

Hill State Peoples' Democratic Party, Kerala Congress (Pillai group), National Convention of Nagaland, Sikkim Scheduled Castes League Vishal Haryana Party, All-India Labour Party, Akhil Bharatiya Ram Rajya Parishad, Revolutionary Communist Party of India, Shoshit Samaj Dal, Shiv Sena Bharatiya Socialist Party, Muslim Majlis.

CSO: 4220/7162

## G.K. REDDY WRITES ON PARTY ELECTION PROBLEMS

Madras THE HINDU in English 17 Apr 82 p 9

[Article by G.K. Reddy]

[Text]

N.W. DELHI, April 16.

The country is passing through what some perceptive observers here describe as a vacuous phase to characterise the feeling of emptiness now gripping most of the political parties or adequately reflect their sense of drift and loss of direction in facing the mounting problems.

The Prime Minister, Mrs. Indira Gandhi, is relying more and more on official agencies to assess political events or appraise the ruling party's prospects in the coming Assembly elections, since she has lost faith in the capacity of her Congress (I) colleagues to gauge the mood of the people.

It is sad to see senior leaders of the ruling party confessing privately that they are expected merely to approve decisions already taken on the basis of information gathered and assessments made outside their jurisdiction. An instance cited in this context relates to the initial move, and the subsequent reversal, to have a snap poll in Andhra Pradesh and Karnataka to offset the impact of a possible setback in West Bengal and other States involved in next month's elections.

**Opposition in bad shape**

But then the Opposition parties are in a worse shape than the ruling Congress (I) which is at least sustained by the stimulus of power even if it has no proper party organisation to back it. In the absence of any proper dividing line between the party and the Government, the Congress (I) leaders see no harm in utilising the expertise of the official agencies for assessing situations, which cannot be done within the existing framework of the party organisation.

The Prime Minister has been advised that the Congress (I) need not feel unduly concerned about its overall electoral performance in these elections, since the party is bound to fare better in Kerala and Haryana, and possibly also in Himachal Pradesh, even if it is not able to put up a proper fight in West Bengal where the marxists are well set to give a good account of themselves. It is on the basis of this estimation that the earlier compulsion to have a simultaneous snap poll in Andhra Pradesh and Karnataka has lost its relevance.

The Chandigarh convention has not succeeded in dramatically bringing all the

non-communist Opposition parties together even for the limited purpose of fighting these elections. The threat of Mr. Charan Singh to retire from active politics has been followed by Mr. Morarji Desai's return, with the astounding prediction that the Congress (I) Government at the Centre will collapse soon. As the shrewdest of the trio of elder statesmen in the Opposition, Mr. Jagjivan Ram is concentrating on wooing the minorities and weaker sections without making any tall claims of his capacity to perform any more miracles.

**No dent on Sikh opinion**

Meanwhile, a section of the Sikh leaders is joining hands with the Imam of Jama Masjid in Delhi to put up a united front of minorities against the alleged tyranny of majority rule. A section of the Central leadership has been placating the hard-liners among the Akalis in the hope of strengthening their own position in Punjab where the Congress (I) is unable to make any dent on Sikh opinion.

The Telugu Desam of Mr. N. T. Rama Rao is 47 removed from the Centre scene to give any sleepless nights to the Congress (I) leaders dealing with the Southern States. But the highly exaggerated apprehension, voiced earlier about his capacity to prove to be "another MOR", is now followed by an equally ridiculous attempt to minimise his impact as though he was only a freak phenomenon.

**Prime beneficiary**

The prime beneficiary of all this confusion is Mr. Gunda Rao who no longer feels insecure since the talk of a snap poll, which he himself asked for at one stage, has now disappeared, leaving him undisturbed for another eight or nine months at least.

It is against this general background of all-round disarray on the political scene that the Congress (I) Parliamentary Board began yesterday the task of discussing and finalising the party's strategy for the Assembly elections. As it so happened, the party High Command was more immediately concerned about the by-elections in U.P. than the general elections in other States. The screening of party candidates was taking the form of not only checking on their political record, but also ascertaining how exactly each one behaved during 1977-80.

**MORE DETAILS ON SAUDI-INDIAN TALKS, PLANS GIVEN**

New Delhi PATRIOT in English 18 Apr 82 pp 1, 7

[Text] Riyadh, April 18 (UNI)--India and Saudi Arabia are to set up a joint commission to give an impetus to their cooperation in economic and technical fields.

The commission, to be established at ministerial level, is likely to hold its first meeting in October at a venue to be decided soon.

The agreement is a major outcome of Prime Minister Indira Gandhi's current four-day visit to Saudi Arabia.

Mrs Gandhi, who arrived here today from Jeddah to a colourful royal welcome, has been having talks with top Saudi leaders since yesterday when she began her four-day visit to this oil-rich kingdom.

After the airport ceremonies, Mrs Gandhi accompanied by crown Prince Fahd bin Abdul Aziz, who is also his country's Prime Minister, drove to the Guest Palace where she will stay until the conclusion of her visit on Tuesday.

In the afternoon, the Saudi ministers of Agriculture, Finance, Petroleum and Finance called on her separately for discussions.

In the evening Mrs Gandhi called on King Khaled bin Abdul Aziz at the Royal Palace. Breaking protocol, the King hosted a banquet in her honour.

**Indo-Pak Relations**

An official spokesman said later that Saudi Arabia appreciated India's willingness to establish friendly relations with Pakistan and help establish durable peace in the subcontinent.

The Saudi reaction to the series of moves made by India to further normalise relations with Pakistan was conveyed to Mrs Gandhi when Saudi Foreign Minister Saud al-Faisal called on her this evening and had discussions with her on the security environment in the region.

Mrs Gandhi informed Mr Saud during their 35-minute meeting that India was not only willing to have a no-war agreement with Pakistan, but it had also offered to Pakistan to set up a joint economic commission.

The two leaders also discussed the serious implications of the continuing Iran-Iraq war, both underlining the need for an early end to the conflict to stabilise the situation in the Gulf and West Asian region.

Detailed discussions on the deteriorating security environment on the region and other major international issues would be held when Mrs Gandhi and Crown Prince Fahd hold formal discussions tomorrow.

#### Oil Supply

Mrs Gandhi also briefly conferred with Crown Prince Fahd and met several Saudi ministers when bilateral economic matters were taken up.

Saudi Petroleum Minister Sheikh Ahmed Zaki Yamani also met Mrs Gandhi when the question of larger contracts for supply of crude oil to India on a long-term basis was taken up.

Sheikh Yamani promised that his government would consider India's request for assured supplies of oil on a regular basis in future. The present oil contract with Saudi Arabia expires in May this year. Saudi Arabia supplies 2.5 million tonnes of oil to India every year.

#### Economic Ties

Saudi Finance Minister Mohammed Aba al Khail conveyed to Mrs Gandhi that his government was considering making investments in new projects in India. He said that his government would send a team of experts to India to study the prospects for such investments and identify projects.

Saudi Agriculture Minister Abdul Rahman al-Sheikh, who also met Mrs Gandhi, discussed the prospects of India providing assistance to Saudi Arabia in various branches of agricultural science.

He proposed that Saudi students be trained in Indian Agricultural research institutions. Mrs Gandhi assured him that India would provide whatever assistance it can in the field of agriculture.

Finance Minister Pranab Kumar Mukherjee has had detailed talks with top Saudi industrialists and businessmen. This was apart from discussions between official teams of the two sides.

Both sides are understood to have felt that the economic cooperation between the two countries had been sluggish in recent years mainly because of a lack of mutual political understanding, a chasm now bridged by Mrs Gandhi's visit.

## Joint Ventures

A delegation of 80 top Saudi industrialists and businessmen who met Mr Mukherjee is understood to have expressed willingness to invest in India, particularly in joint ventures in fertilisers and cement.

The Saudi industrialists wanted certain tax concessions and safeguards for the investments.

Mr Mukherjee said wherever India permitted foreign investments the investors would be allowed free repatriation of profits and dividends besides transfer of technology and knowhow.

He told them that they could expect a satisfactory rate of return because of the availability of industrial infrastructure and a ready domestic market in India.

The Indian side told their hosts that it considered cooperation with the Gulf region, including Saudi Arabia, to be an important step towards collective self-reliance among developing countries.

It has been noted that Saudi Arabia's intimate relationship with Pakistan never came in the way of Indo-Saudi trade and commercial relations.

The proposed joint commission, with wide terms of reference, would certainly help open a new era of meaningful cooperation between the two countries, it was felt.

India's exports to Saudi Arabia last year stood at Rs 171 crores and a good feature of it was that 35 percent of the Indian exports were engineering products. Since the Saudi economy is growing, India's exports are expected to rise to Rs 260 crores in 1982-83.

India is also executing projects of the value of Rs 400 crores in Saudi Arabia. The Saudi government has expressed its satisfaction at the manner in which the Indian companies have carried out work here. Five joint Indian ventures are in operation here.

CSO: 4220/7173

## REPORT ON CPI-M POLITBURO 11-12 APR MEETING

New Delhi PATRIOT in English 13 Apr 82 p 7

[Text] The CPI-M Politbureau has appealed to the Kerala electorate to vote for the Left Democratic Front with the aim of defeating the Cong-I led "rightist Front," and urged the West Bengal masses to return the ruling Left Front with a resounding victory.

The Politbureau met in the Capital for two days on 11 and 12 April. All PB members, except ailing West Bengal CPI-M secretary Promode Dasgupta attended the meet.

In an "appeal to the voters of Kerala," the PB on Monday noted that although the calculations of the Cong-I Front had gone away as the Karunakaran Ministry failed to survive, the LDF there faced an immense task as it was pitted against a "powerful combination of all kinds of vested interests which, besides, enjoy the support of the Central Government and the Governor's administration in the State."

The Governor, it charged, had acted and "is acting as the willing tool of the Cong-I rulers at the Centre in allowing formation of the minority government and in hastily dissolving the Assembly even without completing the process of the Rajya Sabha elections." The State administration headed by such a Governor was bound to resort to "all sorts of tricks to falsify the will of the electorate" and hence it was doubly important for all defenders of democracy to foil "this game being played by the Cong-I-led Opposition."

In this context, it appealed to all CPI-M members, sympathisers and party units in Kerala to realise "broadest possible mobilisation of all sections of the people behind the LDF which has issued its own joint manifesti, the widest possible popularisation of the party's own political line as indicated in the Vijayawada Resolution" as well as sustained work every party member to ensure LDF victory.

The appeal underlined that the LDF Ministry under E.K. Nayanar had refused to "pursue the repressive policies initiated and implemented by the previous governments in the State" and protected the working class, peasants and other sections of the working people fighting for their legitimate rights. Hence



the Cong-I and its allies organised a "violent campaign" against the LDF in collaboration with the RSS, the Naxalites and other anti-social forces.

The PB lashed out at Antony Congress and Kerala Congress (Mani) charging them with "betrayal" for having gone back on the electoral pledges as part of the LDG.

"The opportunist moves of the various parties and groups that have joined together in the Cong-I-led combination have raised the serious danger of Hindu revivalism, posing a threat not only to minority religious communities but also to scheduled and other backward castes in Hindu society. The Cong-I-led combination, therefore, constitutes a serious threat to democracy national unity and integration and to the organised movement of all sections of the working people," the appeal read.

In a statement on the West Bengal Assembly elections, also released on Monday, the PB called upon the people of the State to vote massively for the Left Front headed by the CPI-M and "rout the Cong-I and its opportunist allies."

Listing the achievements of the Left Front government, it described "elimination of communal conflicts and atrocities against Harijans" as an "outstanding feature of the West Bengal Ministry. No other Ministry of any party could boast of such an achievement. This stands out in sharp contrast to the happenings of Cong-I governed States where communal riots occurred frequently, often financed by elements in the ruling party."

It pointed to the fact that in West Bengal communal, linguistic and other minorities as well as the "oppressed castes" had been given full protection and fair deal. By way of examples it spoke of the setting up of the Urdu Academy, creation of Iqbal Studies in Calcutta University and other similar steps for promotion of Urdu; effective steps for development of Nepali language.

The LF government had also preserved the workers' right to strike, refused to employ police in industrial disputes or other democratic agitations. It had condemned both the NSA and the ESMA and declined to use them against striking workers as those of the Loco Running Staff Association.

Furthermore, the Government gave a concrete form to protection of democracy and preserved the interests of agricultural workers; gave land to sharecroppers; cancelled debts of poor peasants and met demands of the Government employees, teachers, etc.; provided relief to unemployed and "actively helped workers in their struggle against the capitalists, the jute barons and others and enabled workers to secure advance in wages and emoluments."

CSO: 4220/7162

## CPI-M POLITBURO MEMBER TELLS STAND ON PRC

New Delhi PATRIOT in English 18 Apr 82 p 7

[Text]

CPI-M Polit-Bureau member B T Ranadive said on Saturday that his party wanted to build the broadest possible front against war and imperialism but it was opposed to "any derogatory reference towards China" from any such platform.

This was a vital point of difference with the CPI, he told this correspondent in the Capital.

"We can't have joint action with them (the CPI activists) on the question of war if they continue to attack China or concentrate fire on China bracketing it with US imperialism," he explained.

Whereas the CPI-M concentrated its attack on imperialism, the CPI members were eager to equate China with the US, he said.

Asked if he felt that the war danger in India's neighbourhood stemmed also from China besides the US and Pakistan, Mr Ranadive replied in the negative. "We must understand who is preparing for war. It is US imperialism. China is not preparing for war," he asserted.

The CPI-M had made a criti-

cal appraisal of Chinese policies at its Vijaywada Congress last January but that did not mean that it would go on publicly criticising China on all issues, he said.

The CPI-M leader was, however, strongly in favour of "unity in action with the CPI". He noted that "some vested interests" were striving to drive a wedge between the two parties. "But in the interest of Left unity it is necessary to strengthen unity in action between the two parties," he underlined. In this context he mentioned how the Left masses, including those following the two parties, were continuing to work together in defending the working class rights and joining trade union actions within the framework of the National Campaign Committee.

Why then did the CPTU and the AITUC fail to hold a joint May Day rally in Delhi this year? Why were the local units of the two Communist Parties unable to hold a joint demonstration against US threats in the Caribbean?

Mr Ranadive attributed these failures to the differences of

the two parties on the question of publicly criticising China. "But why do you think that just because we are for unity in action we should always hold joint action? To have such a view is un-Marxist. We have our independent entity. We must, therefore, have the right to organise independent actions," he added.

Secretary of the Delhi Committee of the CPI-M Prakash Karat informed that the decision to hold separate May Day rallies by the CITU and the AITUC was nothing new. Similar decisions had been taken in the previous three years as well. The same difference had been the real cause: the question of criticising China from the rally.

As for the joint demonstration on the US threat in the Caribbean, he said it could not be held due to "technical" reasons. The Delhi CPI insisted on holding the demonstration on 15 April as it had other engagements prior to that date, whereas the CPI-M could not wait that long as it was busy with preparations for the Delhi CITU conference being held in Ghaziabad on Sunday and Monday.

## CPI LEADER STATEMENT ON AKALI DAL REPORTED

New Delhi PATRIOT in English 11 Apr 82 p 4

[Text]

**G**ENERAL Secretary of the Communist Party of India Rajeswara Rao, on Saturday expressed concern at the struggle launched by Akali Dal-L against the Ravi-Beas accord and the digging of the Sutlej-Jamuna link canal reports UNI.

In a statement in New Delhi Mr Rao said "it is easy to rouse chauvinist sentiments on such delicate issues as the sharing of the river waters and the demarcation of borders between States." He said counter-agitations are bound to start in other States if the Dal persists with its demands.

"We are unable to understand how the digging of the Sutlej-Jamuna canal will harm the interests of Punjab, when the canal will irrigate three lakh acres in Punjab, Mr Rao said.

Secretary, Punjab council of the CPI, Avtar Singh Malhotra in a statement in Chandigarh warned that the path of confrontation chosen by the Dal was highly deplorable at a moment when external threat to India's security, was flowing adds PTL.

Mr Malhotra said the Akali-L

should adopt the course of negotiation instead of confrontation and help create a cool atmosphere for a just solution to safeguard interests of Punjab as also the just interests of Haryana and Rajasthan to meet the requirements of both, the development of the concerned States and the national integration.

Meanwhile, Punjab Bharatiya Janata Party president, Dr Baldev Prakash said today that his party would dissociate itself from the Akali Dal and CP-M sponsored 'civil disobedience movement' against the Ravi-Beas accord and construction of the SYL canal for the supply of water to Haryana.

The BJP will not side with any agitation which is fought on religious grounds, he said in a statement in Amritsar.

He said, the party firmly believed that inter-State disputes should be settled 'amicably'.

The Punjab water dispute should be referred to the Supreme Court and decided according to the State Reorganisation Act, he demanded.

## DEFENSE MINISTER REMARKS ON PAKISTAN BUILDUP

New Delhi PATRIOT in English 18 Apr 82 pp 1, 7

[Text]

INDIA is carefully monitoring Pakistan's naval build-up which is far in excess of genuine defence requirements of its limited coastline, Defence Minister Venkataraman has said.

He told members of the Parliamentary consultative committee of the Ministry of Defence on Saturday that Pakistan is gradually adding to its naval strength with new ships, submarines and naval equipment.

Pakistan which has a coastline of only about 500 miles has placed orders for surface fighting ships with the US, submarines from France and has acquired missile boats and surface to surface missiles, it is learnt. It already has a fleet of long-range maritime reconnaissance and anti-submarine warfare aircraft.

The Government of India has made known its concern at the rearmament of Pakistan in the context of a 'strategic consensus' between the US, Saudi Arabia, Oman, Pakistan and China.

Observers point to President Zia-ul-Haq's statement that attempts were made on behalf of the US for base facilities in Pakistan but he had turned it down. Military analysts feel that the suggestion was made by the CIA, which operates independently of the State Department and the Pentagon. The CIA was operating the U-2 base in Peshawar till it had to be shut down after one of the super-spy

planes was shot down during the Krushchev era.

(After the fall of the Shah of Iran, the US lost the use of Chah Bahar, its most important facility in the Gulf region. Since then there have been persistent reports that it has been trying to get use of the East Gwadar Bay area for a naval base. Gwadar Bay is a natural harbour on the border between Iran and Pakistan.

The US has managed to remain close to the Gulf after the departure of the Shah by making arrangements with the Sultan of Oman for the use of the Masirah island facilities. However, Gwadar has the advantage of allowing electronic espionage inside the troubled Iran.

UNI adds: Mr Venkataraman observed that while being confident of the navy's capabilities, the country could not afford to be complacent.

The present strength and preparedness of the navy was good, 'but we cannot rest our ears. There are various developments because of which we have to strengthen our navy.'

He informed the members that the Indian Navy was facing new challenges and its responsibility had increased considerably due to the geo-political situation and certain development in India's

neighbourhood.

While the Indian Ocean had become a zone of big-power rivalry in spite of India's consistent efforts to pursue the objective of making it a zone of peace, the developments in the neighbourhood were posing new threats to India's security.

On a suggestion made by some members that the defence of the far-flung Andaman and Nicobar, and Lakshadweep islands be strengthened, he said while there was a naval establishment in the Andamans, the overall defence of the region was being looked after by the Eastern Naval Command.

The Government, however, had a long-term plan to strengthen the defences of the island territories, he assured.

Apart from strengthening the navy to meet the new challenges the coast guard was also being streamlined through the acquisition of off-shore and in-shore patrol vessels, helicopters and surveillance aircraft.

He also informed the members about various steps being taken to achieve self-reliance, in the various requirements of the navy. At the same time, he said import had to be resorted to meet the new challenges of modern warfare.

## SOVIET ENVOY ADDRESSES CULTURAL SOCIETY MEETING

New Delhi PATRIOT in English 18 Apr 82 p 12

[Text]

**SOVIET** Ambassador to India Yuli. M. Vorontsov on Saturday claimed that his country would immediately withdraw its naval forces from the Indian Ocean provided the United States agreed to remove its strike forces from the region.

Stressing the need to make the Indian Ocean 'a zone of peace' Mr Vorontsov pointed out that the Soviet naval detachment in the Indian Ocean was not aimed at any shore but was a preventive measure against possible US attack on Soviet territory.

Mr Vorontsov was speaking at a function organised by the Indo-Soviet Cultural Society in the Capital to mark the 30th anniversary of the establishment of Indo-Soviet diplomatic relations. Congress-I leader Syed Mir Qasim presided over the function.

Forces hostile to world peace, Mr Vorontsov observed, were making frantic efforts to sabotage the proposed UN session on the Indian Ocean, scheduled for 1983 and urged all the peace-loving countries to foil these insidious designs. Even in 1981, he said, these forces had succeeded in getting the session postponed.

India and the Soviet Union Mr Vorontsov said had commonality of interest especially to stop the nuclear arms race and also to make the Indian Ocean a zone of peace. 'We have so far succeeded in stalling any nuclear confrontation', he said.

Dr V P Filatov of the Institute of Social Sciences, Moscow, said that Indo-Soviet friendship was geared to strengthening peace and stability and, also for defending the sovereignty of all nations. 'Our relations have grown stronger over the years despite the different political ideology the two nations adhere to', he added.

Now as the world confronts a volatile situation, Prof Filatov said a mighty non-alignment should be built up to defend peace and human values. Establishment of peace was a fundamental principle of the Soviet policy, he said.

Former Indian Ambassador to the United States, T N Kaul said that friendship treaty between India and Bangladesh signed in 1972 should be made more effective. This treaty could be instrumental in bringing peace and stability in the sub-continent which, he said had become a hotbed of tension. Mr Kaul said that Indo-Soviet friendship was not merely an example of peaceful existence but

also of active cooperation which manifested itself in various fields.

World Peace Council President Romesh Chandra stressed that Indo-Soviet friendship treaty was a decisive instrument in preventing any nuclear confrontation. He said India as well as other non-aligned countries could combine together with the Soviet Union and other socialist countries to avert any future.

Eminent Academician Moonis Raza opined the country could tremendously gain from the Soviet experience in the field of education.

Former Indian Ambassador to the Soviet Union I K Gujral stressed the need for forming a joint defence force to defend South-East Asian countries against any imperialist aggression. He said the present situation warranted the creation of such a force in view of the escalation of arms race in the neighbourhood.

## GANDHI 'NATIONAL HERALD' INTERVIEW SUMMARIZED

Bombay THE TIMES OF INDIA in English 17 Apr 82 p 9

[Text] New Delhi, April 16 (PTI)--The Prime Minister, Mrs Indira Gandhi, has accused the opposition parties of having a "desperate desire" to weaken her.

Answering a question on the unity moves among the opposition, Mrs Gandhi told Mr Hari Jaisingh, editor, "National Herald," in an interview that these parties "use all possible means to denigrate me and my party but cannot bear any criticism of themselves."

"What an odd concept," she said, "that it is the Prime Minister's duty to build the opposition. They expected Jawaharlal Nehru to do it and now they expect the same from me."

Mrs Gandhi expressed the view that left unity was more of a slogan than a possibility, "for not much remains of the left."

"The CPM rule follows the Marxist maxim of strengthening their party at all costs. Naturally this results in harassment of those who do not conform," she said.

**BJP Claim**

Asked if she found any basis for the BJP claim that it had "broken through" the Vindhyas to the south, Mrs Gandhi replied that the BJP was a new name for the old RSS and Jana Sang, incorporating remnants of the old Sanatanists, the Hindu Mahasabha and the Ram Rajya Parishad.

Replying to a question on the prospects of an early settlement to the Assam problem, Mrs Gandhi said the government was most earnestly and patiently continuing talks for a settlement which would reflect the constitutional, political and humanitarian factors involved.

Asked whether there was any need for a new code of conduct for persons in public life in view of allegations levelled against political leaders, the Prime Minister said "We shall deal firmly with corruption or misuse of authority."

Mrs Gandhi pointed out that the IPC and Cr.P.C. were not to keep the law and order inviolate. "Whenever there is reason to believe that norms of behaviour are not adhered to, we take action," she said.

At the same time, "we cannot ignore the tendency to make the wildest allegations, particularly against persons of my party," Mrs Gandhi said, and added that there was selective use of slander as a political weapon against the Congress (I). The idea, she said, was to achieve through character assassination what might not be possible through the ballot.

Asked to comment about the functioning of the press, Mrs Gandhi said the press was an important institution of democracy and she had always recognised it as such.

Asked whether the government was contemplating any measures to bring about judicial reforms to make justice quicker and within the means of the poor and weaker sections, Mrs Gandhi said there were moves for legal aid to make justice cheaper, but as yet not much efforts to make it quicker. "The initiative must come from the legal profession itself," she said.

CSO: 4220/7167

## GANDHI INTERVIEW PUBLISHED IN SOVIET JOURNAL

New Delhi PATRIOT in English 10 Apr 82 p 1

[Text]

MOSCOW, April 9 (PTI)—Prime Minister Mrs Indira Gandhi has said all efforts of the Governments of India and USSR are now directed through diplomatic and state channels at averting a thermonuclear war, ending the arms race, attaining full and universal disarmament and preserving and consolidating world peace.

The history of Indo-Soviet friendship "is convincing evidence" of the value of peaceful coexistence and cooperation between peoples. "We believe that this factor is a significant guarantee of peace and stability on earth", Mrs Gandhi stressed in an interview to the Soviet journal "International Affairs" on the occasion of the 35th anniversary of Soviet-Indian diplomatic relations.

India and the USSR, Mrs Gandhi said, were brought together by many common ideals. These were, primarily struggle against all manifestations of colonialism racism, and discrimination. The striving to build their relations on the principles of

equality, respect, non-interference in each other's internal affairs.

The newly-free countries of Asia, Africa and Latin America, she said, could always rely on the Soviet Union's support in their struggle for consolidation of national independence, against designs of neo-colonialism.

The peoples of India, Mrs Gandhi said, would continue 'greeting steps' taken by the Soviet Union under the guidance of President Leonid Brezhnev.

Recalling the history of Indo-Soviet relations, Mrs Gandhi said, it was not measured by just three and a half decades. Friendship between the peoples of the two countries had been steadily strengthening over these years.

During all his life, Mrs Gandhi said, Jawahar'ul Nehru had displayed interest in social transformations in the Soviet Union. He always consistently advocated the idea that the west should find a common language with the Soviet Union, so that both social systems jointly work towards consolidation of peace, she added.

CSO: 4220/7157



## GANDHI SPEAKS AT PUNJAB CANAL DIGGING CEREMONY

New Delhi PATRIOT in English 9 Apr 82 pp 1, 7

[Text]

KAPURI (Patiala), April 8.

PRIME Minister Indira Gandhi today emphasised the need of solving all mutual differences through dialogue and negotiations and strengthening the country by sheer hard and dedicated work.

Addressing a mammoth public meeting after inaugurating the digging of the Rs 130-crore Sutlej-Yamuna Link Canal (SYL Canal) in Punjab territory near this border village, she said mutual bickerings and differences had resulted in delay to vital projects like the SYL. Had this project not been delayed, crores of acres of water could have been saved from flowing to Pakistan as waste.

She also referred to some other similar disputes and hoped that they too would be solved given the understanding for national cause displayed by the two States of Punjab and Haryana.

Almost announcing the clearance of the Rs 300 crore multi purpose inter-State Thein Dam project, she hoped that work on this project too would be expedited. The Dam is to be built over the Ravi near Pathankot. Nonetheless she added that question of sharing of power benefits was yet to be solved.

Mrs Gandhi said the 'decision' would benefit both Punjab and Haryana. While the former will save about three lakh acres of its land from 'seim' (water-lagging), Haryana would be able to irrigate additional land whereby production would increase almost two-fold.

production would not be achieved. She clarified that the new economic programme included

Referring to the apprehensions expressed by the Akalis over the decision, Mrs Gandhi said how could she allow Punjab to lose. She has personal, emotional and sentimental ties with Punjab and she could never do so.

She revealed that the Akalis had only opposed grant of water to Rajasthan. But they should realise that Rajasthan too was part of India and the desert land too should be helped in the larger interest of the country. Moreover, she had offered to set up a scientific committee to suggest ways and means for increase in water availability. She promised that no State would be ignored or allowed to lose till she was around.

The Prime Minister declared that to reopen the three-State river waters accord would keep the lanes hanging, doing no one any good.

It was for this reason that she rejected the Akali demand last Tuesday to scrap the pact and refer the inter-State waters dispute to a judge, the Prime Minister said.

The Prime Minister in her speech appealed to the people to understand the importance of the Ravi-Beas agreement and to

try and convince its opponents of its value and usefulness.

Taking about the tilt towards small and marginal farmers in the new 20-point programme, she said till this section progressed real breakthrough in Sanjay Gandhi's five-point programme as well.

Earlier, as soon as Punjab Chief Minister Darbara Singh rose to ask other States to follow the lead given by Punjab and Haryana in solving disputes, from the village gurdwara, almost half-a-kilometre away some Akali supporters burst crackers before coming out to court arrest. They were protesting against the Prime Minister's decision. The volunteers led by Mrs Rajinder Kaur MP, numbered about 30 and included some women too.

Among those who attended today's meeting were Home Minister Zail Singh, Irrigation Minister Kedar Pandey, Minister of State Ziaul Rehman Ansari, Mr Beta Singh and Mr Dalbir Singh.

Meanwhile, thirty persons were injured, three of them seriously, when a truck carrying them overturned on G H Road near Karnal today. The truck was proceeding to this place to attend the inauguration ceremony.

No Opposition leader was present at the meeting.

## REPORT ON GANDHI 17 APR AIRPORT PRESS CONFERENCE

New Delhi PATRIOT in English 18 Apr 82 pp 1, 7

[Text] **PRIME MINISTER INDIRA GANDHI WILL PAY OFFICIAL VISITS TO THE SOVIET UNION AND THE UNITED STATES IN JUNE AND JULY, RESPECTIVELY, REPORTS PTL**

Responding to an invitation from President Ronald Reagan, Mrs Gandhi will go to the United States in July. Besides Washington, she will visit New York to address the disarmament session of the UN General Assembly.

Mr Reagan is believed to have written to Mrs Gandhi a few days ago formally inviting her to Washington, which she last visited as Prime Minister in October 1971 during the Bangladesh crisis. She has conveyed her acceptance.

Mrs Gandhi will visit Moscow on President Leonid Brezhnev's invitation. She might combine her Moscow visit with a trip to some Scandinavian countries.

Mrs Gandhi disclosed her plans to visit the two super powers while answering questions from newsmen at Delhi Airport on Saturday morning prior to her departure on a four-day official visit to Saudi Arabia.

The dates for Mrs Gandhi's visits are being finalised but she said that she would go to the United States 'probably' in July and to the Soviet Union 'some time in June'.

The Soviet Union was 'pressing very much' her to come and she might combine that with her proposed trip to some Scandinavian countries, she added.

Mrs Gandhi and Mr Reagan had

met during the North-South summit at Cancun. The US president is understood to have sent a formal invitation to her recently which she has accepted.

Mrs Gandhi's talks with Mr Reagan will enable the two leaders to review the entire gamut of Indo-US relations which have been affected notably by US military support to Pakistan and the impasse over Tarapur for which Washington has not supplied enriched uranium under its contractual obligations.

The Prime Minister is likely to implore upon the United States the implications of arming Pakistan far in excess of its legitimate defence needs.

Mrs Gandhi might also take up with Mr Reagan the question of US contribution to the International Development Association (IDA).

The United States has said that it intended to substantially reduce its contribution which in turn, will lead to cuts in contributions from several other developed nations, thus affecting developing countries which get soft loans from the World Bank affiliate.

During her visit to London last month, Mrs Gandhi had urged her British counterpart, Mrs Margaret Thatcher, not to impose any cuts in Britain's contribution. Britain subsequently announced that it would make its full contribution.

Asked what she was looking for during her visit to Saudi Arabia, Mrs Gandhi: 'Naturally, greater understanding and cooperation.'

Mrs Gandhi said India had always been championing the Arab cause and Saudi Arabia had an important role to play in the affairs of the region.

Union Ministers, Chief Ministers members of Parliament and senior officials, besides Mrs Sonia Gandhi were present at the airport to see off Mrs Gandhi who travelled by Air India's Boeing 707, Annapurna.

Mr Rajiv Gandhi, MP who was to have accompanied his mother to Saudi Arabia did not do so.

The high-level delegation accompanying Mrs Gandhi included Finance Minister Pranab Mukherjee and Minister of State for Civil Aviation Khurshed Alam Khan.

## UN DELEGATE DECRIES ISRAELI ATTACK ON MOSQUE

New Delhi PATRIOT in English 18 Apr 82 p 3

[Text]

UNITED NATIONS, April 17 (PTI).

**D**EPLORING the recent armed attack on the Al-Aqsa mosque and the Dome of Rock in Jerusalem, India's Permanent Representative N Krishnan told the Security

Council yesterday that India was particularly perturbed because the incident had added yet another dangerous dimension to the already explosive situation in West Asia.

He urged the council to find a just and lasting solution to the underlying problems of West Asia urgently.

Mr Krishnan was speaking in the council discussions on the complaint against Israel brought up by Morocco, current Chairman of the Jerusalem Committee of the Islamic Conference. The council has discussed the complaint for three days.

Arab and Islamic countries have charged Israel with creating conditions in occupied Jerusalem to induce the mass exodus of the Palestinian inhabitants.

Mr Krishnan said this "was-tan act" of violence and cruelty against innocent human beings and a sacrilege of a holy place

was regrettable and reprehensible and "must be condemned."

"The people of India" said Mr Krishnan, "in particular the millions of Muslims in India share the grave concern and deep anguish of the entire Islamic world over these recent deplorable developments in Jerusalem." The rule of law was not being applied equally to all inhabitants of occupied Jerusalem by Israel.

Mr Krishnan said that, against the background of Israel's defiance of Security Council and General Assembly resolutions on the West Asia problem, the perpetration of the recent act in the Al-Aqsa mosque assumed a sinister significance. "It must be seen in the context of the persistent violation by Israel of the inalienable rights of the Palestinian people and the denial of the fundamental rights of the Arab inhabitants of occupied territories.

## DEFENSE MINISTER ADDRESSES ARMY COMMANDERS PARLEY

New Delhi PATRIOT in English 17 Apr 82 p 4

[Text]

**D**EFENCE Minister, R Venkataraman, told the Army Commanders Conference in New Delhi on Friday that the compulsions of the security environment facing India left no room for complacency and that we had to 'adequately up-grade our military capability for repelling decisively any challenge to our national security,' reports UNI.

He said the army, in particular was face to face with the threat as it maintained its constant vigil along India's borders from the snow-bound mountains in the North to the beleaguering sandy deserts in the South-West.

Hence, it had been the Government's endeavour to provide the necessary resources for meeting the legitimate requirements of the army to enhance its firepower and operational efficiency and maintain the high morale of our indomitable fighting forces. We have to ensure, he said, that our armed forces maintained their high state of readiness in the face of the challenges before them.

Mr Venkataraman outlined the various measures that have been taken for the modernisation and technological upgradation of the army's inventories, which included the improvement of the fighting capability of the Vijayanata tanks and the qualitative improvement in the mobility of the mechanised infantry.

He said there were many disturbing geostrategic developments in our region which had a direct bearing on our national security. India's defence strategy had to be carefully moulded to meet adequately the challenges posed and to maintain the sovereignty and territorial integrity of the nation.

The decision to induct a massive inventory of sophisticated weapons into Pakistan, he said, posed a direct threat to India's security, since we have learned from history that these arms may be eventually directed against us.

While India would continue efforts to normalise relations with Pakistan, 'we should be fully prepared to meet any eventualities.'

CSO: 4220/7170

**TRADE BALANCE WITH FRANCE, FRG REPORTED DOWN**

New Delhi PATRIOT in English 17 Apr 82 p 5

[Text] India's trade balance with two major members of European Economic Community, France and West Germany during 1981 suffered a slide down mainly due to a fall in the exports of commodities like cotton, jute, coffee, tea, oils, fats, prawns and other food products particularly to France, reports PTI.

While the Indo-French bilateral trade during 1981 expanded by 18 percent Indian exports however, dropped by 6.98 percent and imports rose by as much as 43.48 percent.

According to latest available figures, India's exports to France dropped from Rs. 223.50 crore in 1980 to Rs. 207.90 crore in 1981 while the French exports to India rose sharply from Rs. 221.40 crore in 1980 to Rs. 317.40 crore in 1981.

The major items exported from India during 1981 were garnets, hosiery, textiles (Rs. 59.7 crore), precious stones, jewellery (Rs. 30 crore) and hides, skins, leather, shoes (Rs. 20.4 crore).

The significant Indian imports from France in 1981 included machinery, engineering products (Rs. 37.6 crore), electrical machinery (Rs. 61.5 crore), measuring instruments (Rs. 12 crores), iron, steel and non-ferrous metals (Rs. 85.5 crore), and chemicals (Rs. 43.9 crore).

With Germany, India's exports totalled Rs. 492 crores and imports from that country stood at Rs. 866 crores. India ranked fifth among West Germany's trading partners in east Asia in 1981 accounting for Rs. 1358 crores or 7.2 percent of Germany's total trade with east Asian countries valued at Rs. 18,917 crores.

CSO: 4220/7170

**G.K. REDDY DISCUSSES PUNJAB DISSIDENTS**

Madras THE HINDU in English 8 Apr 82 p 1

[Article by G.K. Reddy]

[Text] A tense situation is developing in Punjab over the Akali bid to launch an agitation following the breakdown of the talks with the Centre over their multifarious demands for recognising the special status of the Sikh community in the State.

At a time when the Khalistan movement has petered out for all practical purposes, the hardliners in the Akali leadership are attempting to pressure the Centre with the threat of an agitation to sustain the atmosphere of unrest in an effort to extract as many concessions as possible.

As part of their call for statewide protest meetings and marches to mobilise Sikh opinion, the Akali leaders are planning a big rally at Ghanaur, a few km away from Kapuri village where the Prime Minister, Mrs Indira Gandhi, will be inaugurating tomorrow the construction work of the Sutlej-Yamuna link canal that would benefit both Punjab and Haryana by extending their joint irrigation system.

Though the Akalis themselves are taking steps to ensure that the protest rally remains a peaceful demonstration, there is the danger of such gatherings getting out of control in the heat of controversy and inflamed emotions. It is for this reason that the site of the inauguration was shifted from Raipura.

Cong. I mobilising people: The Congress I also is engaged in a parallel effort at bringing in people from different districts to participate in the function and later attend the public meeting to be addressed by Mrs Gandhi before her return to Delhi. The Chief Ministers of Punjab and Haryana, Mr Darbara Singh and Mr Bhajan Lal, have been personally supervising the security arrangements in close cooperation with the Home Ministry officials in Delhi.

The Akali demands include revision of the present boundaries of Punjab to include all Punjabi-speaking people from the adjoining States, reopening of the Ravi-Beas water agreement, immediate transfer of Chandigarh to Punjab, enactment of a new all-India Gurdwara Act, early elections to the Delhi

Gurdwara Committee, devotional broadcast facilities at the Golden Temple in Amritsar, restoration of the right to carry kirpans on both domestic and international flights, ban on sale of liquor, cigarettes and meat in the vicinity of the Golden Temple, introduction of Punjabi as second language in Haryana and an increased percentage of recruitment of Sikhs to the armed forces.

Bhindranwale in Delhi: Meanwhile, Sant Jarnil Singh Bhindranwale has been camping in Delhi on what is described as a "dharma prachar" to widen his political contact and get across his religious message to a national audience. He arrived at the head of a convoy of vehicles guarded by his followers sporting their swords and automatic rifles.

Another Sikh group, led by a rival leadership, has occupied several acres of prime land belonging to the Delhi Development Authority in the name of reasserting an old claim. The Centre has chosen to turn a blind eye to avoid an incident even at the risk of letting a bad precedent to be set for other militant religious groups to act likewise.

The Prime Minister has told the Akali leaders that they can meet her any time they wanted to resume the dialogue. But they are threatening to launch an agitation to extract concessions through direct action instead of a negotiated settlement. And it is not easy to hazard a guess at this stage in what circumstances they would agree to get back to the negotiating table and if so, how soon.

CSO: 4220/7155

## VIETNAM TO COOPERATE IN INDOCHINA STUDY CENTER

New Delhi PATRIOT in English 9 Apr 82 p 10

[Text]

**V**VIETNAM Communist Party Central Committee member Tran Ngoc Ban has said the proposed Indian Centre for Studies on Indo-China will explain to the Indian people the historic necessity for the struggle of the peoples of Indo-China.

He indicated his Government's willingness to cooperate wholeheartedly with the study centre in promoting studies on a wide range of subjects relating to the Indo-China States.

Mr Ban, who came to India to attend the 12th Congress of the Communist Party of India at Varanasi met Mrs Aruna Asaf Ali (patron), Mr T N Kaul (chairman), Mr R K Mishra (vice-chairman) and Mr Cecil Victor (secretary) of the Indian Centre for Studies on Indo-China in Delhi on Thursday.

Mr Kaul explained the aims and objectives of the study centre and pointed out that though there has been close affinity between India and Indo-China over the centuries there has, unfortunately, been very little in-depth study of the region among Indians.

The proposed centre would promote studies on the social, economic, political, scientific and other aspects in relation to Vietnam, Laos and Kampuchea and it was likely that a similar centre would be set up in Vietnam.

He said Prime Minister Indira Gandhi, when informed about the study centre, expressed her appreciation at efforts to promote greater understanding between India and the Indo-China States.

PATRIOT editor R K Mishra said it would help expand the areas of knowledge of Indo-China and towards strengthening the close political relations between India and the three States of Indo-China.

Mrs Asaf Ali presented Mr Ban with a souvenir.



## MORE DETAILS ON INDIA-MOZAMBIQUE FACTS

New Delhi PATRIOT in English 10 Apr 82 pp 1, 7

[Text] **PRESIDENT SAMORA MACHEL OF MOZAMBIQUE HELD HOUR-LONG TALKS WITH PRIME MINISTER INDIRA GANDHI IN THE CAPITAL ON FRIDAY COVERING THE RECENT DEVELOPMENTS IN THE INDIAN OCEAN REGION AND THE LATEST SITUATION IN AFRICA.**

In the course of the talks, during which Marshal Machel elaborated in detail the development needs of Mozambique and sought India's assistance on this score. Mrs Gandhi said India viewed Mozambique's economic requirements with sympathy and would appropriately cooperate with it in this regard.

Later, the two countries signed a wide-ranging protocol on economic cooperation envisaging long-term Indian economic and technical assistance to Mozambique in industrial, agricultural and educational fields.

The protocol was signed in the presence of Marshal Machel and Mrs Gandhi in Rashtrapati Bhavan by Governor of Bank of Mozambique and Minister Prakash Batilal and Agriculture Minister Rao Birendra Singh.

Also signed was a cultural agreement that visualised reciprocal visits of professors and experts of the two countries, exchanges of artists, works of arts, films, documentaries, film festivals, visits of sports teams, etc. Mozambique Foreign Minister Joaquim Alberto Chissano and Minister of State for Education Mrs Sheila Kaul signed it.

**APARTHEID**

During her talks with the Mozambique leader, Mrs Gandhi described apartheid as a 'form of civil war'. She made this observation when Marshal Machel was narrating the political situation within Mozambique and highlighting the difficulties his country was facing as a result of constant pressure from racial South Africa.

Marshal Machel dwelt at length on the legacy of colonialism in

as to export to India. The two countries would also see how they could cooperate in marketing the product in Third World countries.

The Mozambique side was interested in recruiting a large number of Indian medical and technical personnel and proposed the establishment of a pharmaceutical industry there, something to which India has agreed to give due consideration.

The two sides agreed to draw up long-term arrangements for export of alumina from India and buying back of aluminium from a Mozambique smelter plant.

In the field of housing, India would help Mozambique to set up a small-scale building materials industry, planning human settlements, construction of roads and help in water supply programmes.

The two sides noted with satisfaction that separate contracts have been signed in the field of railways and maritime transport.

The two sides are also discussing plans for Indian assistance in maintaining and upgrading Mozambique's telecommunication network.

India has also agreed to consider a request for development of coal mines and reconstruction of the railway line between Beira and Moatime in Mozambique.

The protocol said the visit of President Machel had imparted a 'new dimension' to the cooperation between the two countries.

Mozambique underlining the fact that as a result of the colonial exploitation Mozambique was currently left with very few trained cadres and professionals to undertake economic development of the country. It was in this context that he sought Indian help in this sphere and Mrs Gandhi responded positively without any hesitation.

Besides Marshal Machel's discussions with Mrs Gandhi, official level talks between the two countries also took place on Friday. The Mozambique side was led by Mr Chimano who was assisted by Mr Prakash Batilal and senior officials; and the Indian team was headed by Rao Birendra Singh, who was accompanied by Deputy Minister for Information Arif Mohammed Khan and senior officials.

**EXPERTS TEAM**

The talks were aimed at giving concrete shape to the protocol signed by the two countries. It was agreed that a team of Indian agricultural experts would go to Mozambique in the early part of June followed by industrial experts. It was agreed that while India was not an exporter of capital, financing could be explored for Indo-Mozambique projects.

India would examine the question of developing cashewnut plantations in Mozambique in such a way as to meet its own international requirements as well

## INDIAN INTEREST IN TALKS WITH NEIGHBORS STRESSED

Madras THE HINDU in English 12 Apr 82 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, April 11.

As part of its efforts to strengthen regional stability and peace, India is taking an active interest in the moves under way for ending the Iraq-Iran war, resolving the Afghan tangle and finding a way out of the Kampuchean situation, which are of vital importance to it.

Though the non-aligned peace group has not so far made any headway in its mediatory moves to settle the 18-month-old conflict between Iraq and Iran, it continues to persevere with the task entrusted to it in the hope of achieving a breakthrough at some point.

The External Affairs Minister, Mr. P. V. Narasimha Rao, could not personally go this time to Teheran and Baghdad because of the Parliament session. But he has deputed Mr. Romesh Bhandari, Secretary dealing with West Asia, with the mediatory team to make a fresh bid after the Coordination Bureau decided, at its meeting in Kuwait, to continue the peace efforts.

The U.N. Secretary-General, Mr. Javier Perez de Cuellar, has been helping India informed of his own efforts to resolve the Afghan problem. His Special Representative, Mr. Diego Cordovez, is now on a visit to Islamabad, Kabul and Teheran to explore the possibilities of persuading the three countries to engage in trilateral or bilateral talks without any preconditions.

The recent visit of Mr. Narasimha Rao to Vietnam led to speculation that India might come forward with some compromise formula at an appropriate stage for settling the Kampuchean problem. Though it has no such intention at present, the very fact that the Vietnam Foreign Minister, Mr. Nguyen Co Thach, is paying a return visit later this month, has strengthened the impression in diplomatic circles here that India might come forward with some initiative at an opportune moment, if it is persuaded to do so by the South-East Asian nations.

In the bilateral sphere, the two parallel dialogues with China and Pakistan are primarily aimed at resolving the outstanding issues and normalising relations with them. But this delicate

exercise inevitably entails a concomitant effort at least to understand their respective approaches even if they cannot agree on issues like Kampuchea and Afghanistan. The very assumption that India can play a role, either independently or in concert with other nations, in resolving such tangled problems, is providing some additional importance to the shared desire of the three countries for better relations.

It is not without significance that the Vietnam Foreign Minister has chosen to pay a return visit so soon after Mr. Narasimha Rao's recent trip to Hanoi where he had also met the Foreign Minister of Kampuchea

who was on his way back from a visit to the Soviet Union. Similarly, it is not a question of mere coincidence that the new Pakistan Foreign Minister has chosen to pay a visit to Beijing before the next round of Sino-Indian talks in Delhi.

## Indian prisoners in Pak.

There have been no new moves from either side on the Indo-Pakistan front, since the two countries are taking their own time for taking fresh steps to resume the stalled dialogue on the no-war proposition. The Government of India is quite concerned about reports of Indian prisoners languishing in Pakistani jails despite the denials from Islamabad. The matter has been taken up with General Zia-ul-Haq himself, since India has reason to believe that some civilian and military personnel are being held back by Pakistan for the last ten years for no apparent reason.

The Members of Parliament are quite exercised over reports that some of these Indian prisoners had been so badly treated that they were driven to blindness and lunacy and perhaps even suicide. One reason why Mr. Narasimha Rao had to return to Delhi without going to Teheran and Baghdad with the non-aligned peace group is because the Speaker was holding back some questions on this sensitive subject, so that he could personally reply to them.

## SOVIET SCIENCE ON INDO-SOVIET SPACE COOPERATION

New Delhi PATRIOT in English 13 Apr 82 p 9

[Article by N. Novikov, Vice-Chairman, Intercosmos Council]

[Text]

From the first days of the establishment of diplomatic relations with India on 3 April, 1947, the Soviet State, guided by the principles of friendship and mutual assistance, has been giving it all-round support in every sphere for fulfilling the newly-free state's aspiration to attain economic independence.

The steel plants in Bhilai and Bokaro, mining works, oil refineries, power stations and many other projects are tangible fruits of Soviet-Indian cooperation.

Within a historically short period of time India has covered a long and difficult road from being an agricultural appendage of the British colonial empire to becoming an industrialised state. To ensure further growth at a certain stage of the country's economic development, fundamentally new steps were required. The Indian Government faced the need of setting up its own space industry, so it appealed for technical assistance to the Soviet Union in designing India's first earth satellite. A relevant agreement was signed between the USSR Academy of Sciences and the Indian Space Research Organisation on 10 May, 1972.

Being aware of the importance of space research to the Indian economy, the Soviet Union gave India free scientific and technical assistance in designing and launching its first experimental satellite by a Soviet carrier rocket from the territory of the USSR. Who can quote another example of equally disinterested material, scientific and technical assistance in such a

complicated and labour-consuming business as space research to a state with a different social system, given without any reservations or binding terms?

I was lucky to take part in designing the first Indian satellite together with our great scientists such as Academicians B Petrov and E Sedykh and corresponding members of the USSR Academy of Sciences, Professors N Lidorenko, A Bogomolov, V Kovtunenko and many other well-known Soviet specialists, and I am proud to say that it was truly fraternal cooperation: disinterested, fair and earnest.

We were just as happy as the Indian experts when India's first artificial earth satellite "Aryabhata" was designed two and a half years later and then launched into orbit from a Soviet cosmodrome on 19 April 1975. The main task faced by the Indian scientists—to study and master the sophisticated package of research and engineering problems related to space-craft designing, launching and guidance—was successfully accomplished. Two space centres were set up in India over that period: SAC (Space Application Centre for Remote Sensing near Bangalore) and the ground-control complex in Thiruvananthapuram. Today, both centres are equipped with the most advanced equipment and staffed with highly qualified experts who are capable of not only designing and manufacturing satellites of different designations, but can also ensure precise ground control of satellite flights.

and launch high satellites of the "Mohini" type with their own carrier rockets.

The first satellite was followed by the experimental and applied satellites "Bhaskara" and "Bhaskara-2" for studying the planet's surface, designed with Soviet technical assistance and launched by Soviet carrier rockets.

These two satellites are of great importance to India's economy. The photographs of the Indian territory taken by satellite-borne TV cameras and the data collected by three Samir radiometers are now processed and studied by Indian experts and will be used in the fields of meteorology, hydrology, forestry and so on. This data is of special importance for fighting natural calamities brought about by the monsoon rains, and will be instrumental in ascertaining the mechanism of monsoons' generation and development, in determining the direction of the hurricane "strikes" in advance and in issuing timely warnings about their approach.

Technical assistance in designing and launching Indian satellite is just one direction of our cooperation in the field of space research. For many years now, the equatorial test range in Thumba has been regularly used for launching Indian and Soviet meteorological satellites which help meteorologists make long-term weather forecasts. The comprehensive programme of these launchings provides for the study of the structure and circulation of the upper atmosphere in the equatorial latitudes and for the study of the relationship between the strato-

spheric processes and solar activity.

Since 1977 Soviet and Indian scientists have been engaged in a joint space research programme involving the processing of data relayed by earth satellites. For this purpose, a Soviet-Indian station equipped with an automatic photographic unit and a satellite range-finder was built in Kavelur, in the state of Tamil Nadu. Similar observations are conducted from Soviet territory, too. Observation findings are processed by research agencies of both countries.

Joint studies are being carried out in the field of gamma-astronomy. The Indian equatorial test range in Hyderabad is used for launching Indian high-altitude balloons carrying Soviet gamma-telescopes on board. Soviet and Indian scientists have worked out a procedure for conducting observations and processing obtained data. Valuable scientific data has already been obtained by the scientists of the two countries.

The agreement on the participation of an Indian cosmonaut-researcher in a joint flight on board a Soviet Soyuz-T spacecraft which is to be linked with a Salyut orbiting station is a graphic example of our fruitful cooperation.

We are approaching the time when sophisticated instruments designed by Indian scientists and experts and installed on Soviet inter-planetary stations will serve the progress of science and technology for the benefit of man.

## USSR OFFICIAL WRITES ON SOVIET-INDIAN COOPERATION

New Delhi PATRIOT in English 13 Apr 82 p 9

[Article by Semyon Skachkov, Chairman, USSR State Committee for Foreign Economic Relations]

[Text] An important part of the development and consolidation of the whole package of our bilateral relations has been played for more than a quarter of a century now by Soviet-Indian economic and technical cooperation.

Defining the tasks faced by India, Jawaharlal Nehru, India's first Prime Minister, said in the mid-50s that the future of India's development lay in its industrialisation. That is why priority must be given to the development of the heavy industry, Nehru emphasised. This is exactly the direction in which Soviet-Indian economic cooperation has been developing ever since. In 1955, the two countries signed their first agreement on the construction of a steel plant in Bhilai. This was followed by new agreements and projects in the field of non-ferrous metallurgy, the oil and coal industry, power engineering, heavy machine-building and so on. All in all, more than 70 projects have been built, are under construction or being designed in India with Soviet assistance. The projects of Soviet-Indian cooperation have played a vital role in the emergence and development of the public sector which now holds commanding positions in India's national economy. Many of them are the biggest in their respective branches. This refers to the Bhilai and Bokaro steel plants, the Heavy Machine-Building Plant in Ranchi, the Heavy Electrical Equipment Plant in Hardwar, the Mining Equipment Plant in Durgapur, the Oil and Natural Gas Commission in Dehradun, oil refineries in Kojvali and Barauni, the antibiotics plant in Rishikesh, the synthetic drugs plant in Hyderabad, the Neyveli, Korba and Bhakra power stations and so forth.

Several remarkable developments have occurred in the field of Soviet-Indian economic cooperation recently. In November 1981 Soviet and Indian engineers put into operation a tropospheric communications line between the two countries. In January 1982 workers completed the construction of an aluminium plant in Korba. Construction is over and the tuning and start-up work is in progress at the new big refinery in Mathura.

After the completion of the construction of all joint projects in India envisaged by inter-governmental agreements, they will be capable of smelting 13.5 million tons of steel and 100,000 tons of aluminium per annum, extracting 6.5 million tons of iron ore, 13 million tons of oil and about 47 million tons of coal, manufacturing 125,000 tons of metallurgical, mining and other equipment and turning out various power equipment and electrical machines with an aggregate capacity of about 6 million kilowatts, etc.

The Soviet Union has also extended and keeps extending sizable aid to India in national personnel training. More than 120,000 Indian engineers, technicians and skilled workers have been trained with Soviet assistance.

The broad scope and stable nature of Soviet-Indian economic and trade relations have made it possible to provide them with a planned, long-term basis. The Long-Term Programme of Economic, Trade, Scientific and Technical Cooperation between the USSR and India, signed in March 1979, outlined the prospects of that cooperation for the next 10 to 15 years. On the basis of the Programme, the two countries have signed working programmes of cooperation in the field of ferrous metallurgy, irrigation, coal, oil, food, medical, paper-and-pulp and fishing industries, geology, construction materials production and so on. Working protocols have also been signed on the development of cooperation in the field of machine-building and non-ferrous metallurgy.

The agreement on economic and technical cooperation signed by Leonid Brezhnev and Indira Gandhi in Delhi on December 10, 1980 came as a new important stage in the development of Soviet-Indian relations. The new state loan provided by the USSR under the agreement has enabled India to get down to the designing and construction of a number of big projects mostly related to the fuel and power industries.

Soviet design organisations are designing a new coal-mining and power complex for the Singrauli coal fields, incorporating the 1,000-megawatt Vaidan thermal power station whose capacity is to be eventually raised to 3,000-megawatts, a power transmission line and the Nigahi coal face. The technical design of the first stage of the power station is scheduled to be completed before the end of 1982. Two other big coal-mining projects under designing are the Mukunda face with a capacity of 12 million tons per annum in the Jharia coal fields and the Jhanjra mine with a capacity of 2.8 million tons. Geologists are working on a joint coal-prospecting programme for India.

Under the agreement, the two countries also cooperate in the field of the oil industry. A new area has been selected in West Bengal for comprehensive oil and gas prospecting with Soviet assistance. In the middle of 1982 Soviet experts will start work on increasing oil production from inoperative and low-productive wells in Gujarat. Apart from this, Soviet and Indian experts have worked out a technical and economic plan of oil and gas exploration and production in mainland India for 1981-1990 and have submitted it to the Indian Government for approval.

The joint construction of the steel plant in Visakhapatnam is well underway. In January 1982 workers laid concrete into the foundation of the first blast furnace. The work to expand the steel plants in Ghilai and Bokaro to the annual capacity of 4 million tons each is near completion. Soviet and Indian experts are working on a number of steps to increase the capacity of the two plants beyond 4 million tons of steel per annum.

Production cooperation successfully develops in the field of machine-building and, first of all, with the plants built with Soviet assistance in Ranchi, Hardwar and Durgapur, with which big Soviet orders have been placed in 1981-1982.

Cooperation has started in the field of irrigation, too. Soviet and Indian experts are preparing technical documentation for the construction of a plant of pre-fabricated ferroconcrete elements for irrigation projects and are studying the opportunities for using the method of directional explosions in dam and canal building in India.

CSO: 4220/7162

## GREETINGS EXCHANGED ON ANNIVERSARY OF SOVIET TIES

New Delhi PATRIOT in English 13 Apr 82 pp 1, 7

[Text] India and the Soviet Union on Monday emphasised that the friendship between the two countries had served as an important factor for peace and stability in Asia and in the whole world, reports PTI.

Exchanging greetings on the occasion of the 35th anniversary of the establishment of diplomatic relations between the two countries the leaders of India and the USSR stressed that the Indo-Soviet friendship was a model of harmonious relationship between the two countries with different socio-economic systems.

They expressed their confidence that this friendship would continue to flourish in the interests of the peoples of the two countries.

In a message of greetings to President Sanjiva Reddy and Prime Minister Mrs Indira Gandhi Soviet President Leonid Brezhnev and Prime Minister Nikolai Tikhonov said the bygone period was marked by extensive onward development of Soviet-Indian cooperation in various spheres.

The two Soviet leaders stressed that their common adherence to the cause of peace and progress, independence of peoples and equal cooperation between States to the struggle for disarmament and prevention of a new world war beneficially influences the situation in Asia and in the world at large.

In a separate message to his Indian counterpart, Mr P.V. Narasimha Rao, Soviet Foreign Minister Andrei Gromyko said he was firmly convinced that the relations of close friendship and multi-faceted cooperation between the Soviet Union and India will successfully develop in future, too.

The growing interaction between USSR and India on the international arena reliably serves the interests of peoples of the two countries, the cause of consolidating peace in Asia and on the entire planet, Mr Gromyko added.

President Reddy expressed his deep conviction that the relations of friendship and fruitful cooperation between India and the Soviet Union which had stood the test of time would continue to expand further in the coming year.



Conveying cordial greetings to Mr Brezhnev, the President said this period had seen a remarkable development of bilateral relations to the benefit of both.

This had been possible as the two countries shared a similar approach on many important world issues and have respect and admiration for each other, he added.

Mrs Indira Gandhi, extending warm greetings to Mr Brezhnev and Mr Tikhonov, stressed that the relationship served the cause of stability and world peace. "May Indo-Soviet friendship continue to flourish," she said.

India-USSR diplomatic links, Mrs. Gandhi recalled, were established a few months before independence and formalised a relationship characterised by mutual understanding and sympathy between the peoples of the two countries.

Since then "our contacts have grown and multi-faceted cooperation has developed" she added.

Mr Narasimha Rao emphasised he had no doubt that the friendship would continue to expand further.

Indo-Soviet friendship, he said in a message to Mr Gromyko, was in socio-economic systems, could develop constructively based on the principles of equality, mutual respect, strict observance of sovereignty and non-interference in each other's internal affairs.

In recent years some important steps had been taken which enlarge the scope and content of friendly relations and mutually beneficial cooperation between the two countries in diverse fields, Mr Rao stated.

CSO: 4220/7162

## DEFENSE OFFICIALS DISCUSS EXPORT POLICY, OTHER MATTERS

Madras THE HINDU in English 17 Apr 82 p 6

[Text]

NEW DELHI, April 18

Mr. R. Venkateshram, Defence Minister, told the Lok Sabha today that a general policy relating to export of selective items of defence production was under the Government's consideration.

Replying to questions from Mr. Rajesh Pilot he said capacity utilisation of defence production units was largely dependent on the requirements of defence services from time to time. The items manufactured by the units are meant primarily for use by the armed forces and no capacity has been established specifically to cater for exports. However, selective items have been exported from time to time.

Capacity utilisation in the 33 ordnance factories was over 75 per cent, he said. The capacity of some of the nine public sector units of the Defence Ministry was not being fully utilised.

The Bangalore unit of Hindustan Aeronautics Ltd (HAL) was among the units whose capacity was not fully utilised. But capacity utilisation of the Lucknow and Kanpur units was now 100 per cent. During 1981-82, the capacity utilisation of all the units of HAL amounted to 70 per cent while it was 80 per cent for Mazagon Dock Ltd, Bombay, 95 per cent for Goa Shipyards and 71 per cent for Praga Tools Ltd.

Research work: Replying to questions on the utilisation of capacity in the research and development units of the Defence Ministry, Mr. Venkateshram said the capacity of these units was utilised to the extent needed. According to information available with him, the capacity was being utilised to a large extent.

The Minister told Mr. Xavier Arshad that HAL had proposed a project for the manufacture of advanced avionics equipment, though no decision has yet been taken on the sites where the new units of HAL would be located. The Kerala Government has offered land, power, water etc., for a unit.

Replying to questions from Mr. Sudhir Kumar Giri, Mr. Hannan Mollah and others on the location of defence electronic units in West Bengal, he said one factor to be taken into consideration was whether the location of such units in a border State like Bengal was advisable. "We will take all other factors into consideration," he said. Among the other considerations would be whether there was industrial harmony in the States seeking location of such units.

Electronics units: The Minister said the problem of refugees in West Bengal seeking employment opportunities would also be one of the factors taken into consideration. During 1978-81, the West

Bengal Government has requested the Centre to set up an electronics unit in the State. The proposal related to the setting of an electronics complex for avionics and of units of Bharat Electronics and HAL. Requests have been received from a number of other States also but no decision had been taken so far. "The location of these units will depend upon the utmost advantages which Defence would get from such location."

Mr. K. P. Singh Deo, Deputy Defence Minister, gave the following written replies:

The total number of foreign fishing trawlers seized in 1981 for unauthorised intrusion into Indian waters on the east coast was 27, out of which nine were Taiwanese, 14 Thai and four Sri Lankan. Legal action against these trawlers was being pursued.

The Government has sanctioned productivity-linked bonus to categories of civilian employees of defence production establishments drawing monthly wages up to and including Rs. 1,800. Teaching staff in schools maintained by ordnance factories, the Directorate-General of Inspection (DGI) and the Heavy Vehicles Factory, those employed in the headquarters establishment of DGI and audit staff employed in cells looking after R and D establishments have been excluded. The Government has also given this bonus to civilian employees, including ministerial staff, serving in the Naval Dockyard, Bombay. It was considering giving this bonus to non-industrial staff and others.

In all, 3.14 lakh civilian employees under the Defence Ministry have been brought under the purview of the productivity-linked bonus scheme. About 2.38 lakh civilian employees have been left out. The bonus admissible to employees in different departments is determined on the basis of a formula evolved according to the circumstances and requirements of each department.

Defence land lease: Under existing orders, temporarily surplus defence land can be allotted on short-term lease for agricultural purposes till such time the land is actually required for defence use. Such land is leased out to ex-Servicemen and their cooperatives and if these are not forthcoming, to landless poor. Only ex-Servicemen and landless poor who are getting an income of less than Rs. 400 and Rs. 200 a month respectively from all sources and do not own five acres of irrigated or 10 acres of unirrigated land are eligible. The extent of such land would depend on the periodic release of projects for which land has been acquired. There is no special provision for disabled ex-Servicemen.

## RESERVE BANK RELEASES STUDY ON EXCISE DUTIES

New Delhi PATRIOT in English 14 Apr 82 p 5

[Text]

**UNION** excise duties have emerged as the top revenue earner for the Central Government, according to a Reserve Bank of India study, reports UNI.

The study notes that revenue increased phenomenally over the past 32 years. The gross yield (before transfer of States' share) rose from a mere Rs 68 crore in 1950-51 to Rs 1,750 crore in 1970-71 and further to Rs 7,117 crore in 1981-82.

The share of excise duties in the total tax revenue of the Central Government increased from 16.8 per cent in 1950-51 to 48.5 per cent in 1980-81, whereas over the same period, the share of income tax declined from 38.8 per cent to 10.9 per cent and of customs duties from 33.8 per cent to 25.5 per cent. Union excise duties as a proportion of national income at current prices have also grown significantly from about 0.8 per cent in 1950-51 to 6.7 per cent in 1979-80.

The period 1950-51 to 1980-81 witnessed an increase in the shares of modern sophisticated industries in basic excise duties and a decline in the share of traditional consumer goods industries.

**FOOD AND BEVERAGES**

Group-wise the share of food and beverages in gross receipts of basic excise duties declined from 13.7 per cent in 1950-51 to 5.2 per cent in 1980-81 and that of tobacco from 43.8 per cent to 10 per cent. On the other hand,

the share of petroleum products increased from 3.4 per cent to 20.2 per cent, metals from less than one per cent to 8.4 per cent and machinery and transport equipment from four per cent to 11.1 per cent.

Item-wise, the share of sugar declined from 9.2 per cent to 2.7 per cent, tea from 4.8 per cent to 1.2 per cent, cotton fabrics from 13.2 per cent to 1.8 per cent and matches from 11.5 per cent to 0.9 per cent, during the period 1950-51 to 1980-81. In the same period, the share of iron and steel products increased from 0.8 per cent to 4.6 per cent and rayon-synthetic fibres and yarns from less than one per cent to 7.1 per cent.

Sixteen high-yielding excisable commodities, which fetched a revenue of Rs 10 crore each accounted for 67 per cent of the gross excise revenue in 1978-79. Twentyfive long-yielding excisable commodities, which fetched a revenue of less than Rs 1

crore each in 1978-79, accounted for only 0.25 per cent of the gross excise revenue.

The average amount of excise revenue per excisable commodity worked out to Rs 37 crore in 1978-79. On this basis, there were 104 commodities which fetched an excise revenue of less than Rs 37 crore and 30 commodities which fetched an excise revenue of more than Rs 37 crore in that year.

Various empirical studies estimated the income elasticity of excise duties equal to less than one and buoyancy around 1.3, thus showing that the excise tax system was quite unresponsive to increases in national income. The inelastic nature of excise duties to changes in national income is somewhat 'puzzling' considering the fact that the tendency to levy excise duties on ad valorem basis is increasing the Reserve Bank study points out.

## AIR FORCE UNIT TO OVERHAUL MIG'S, JAGUARS

New Delhi PATRIOT in English 10 Apr 82 p 5

[Text]

**NAGPUR, April 9 (UNI)** — The headquarters here of the Maintenance Command of Indian Air Force, celebrating its Golden Jubilee this year is expected to undertake the 'overhaul' and repairs work of Mig-23 and Jaguar aircraft in the near future.

Air Marshal I S Chhabra, AVSM who is in charge of the Maintenance Command, is a visiting team of Bombay newsmen that his command was at present concerned with the overhaul and repairs of all types of aircrafts—Hunter, HS-748, Mig-31, Ajeet, Kiran, Chetak, Doota and Devon.

The Maintenance Command, which is the most widespread command of the Air Force, has units all over the country—from Digaru (Gauhati) in the East to Bombay in the West, Shimla in the North and Sulur to Coimbatore in South, and its main job is to keep the aircraft operationally fit and flying with safety in view, he said.

A considerable amount of fo-

reign exchange had been saved during the last five years by ensuring ready availability of spares, Air Marshal Chhabra said. We produce a lot of components and save Rs 50 to 60 lakhs by placing orders every year with Indian firms, he said and added 'we also work in close cooperation with the state-owned Hindustan Aeronautics Limited.

The first command in Kanpur was formed in 1946 with only one Base Repairs Depot but the headquarters was shifted to Nagpur as this was found to be a central place for all the command units.

The squadrons and operational units have trained personnel to undertake on-the-spot servicing and minor repairs, while jobs requiring a high degree of expertise and ingenuity are done at Base Repairs Depots.

The logistics functions of the equipment depots include provisioning, procurement, storage, distribution, salvage and recycling

and final disposal of used equipment.

Air Vice-Marshal Harjinder Singh, PVSM, the patron of the aircraft industry, was the first Air Officer-Commanding-in-Chief of the Maintenance Command.

Three other officers who have been associated with the Command and later become Chiefs of Air Staff are Air Chief Marshal I H Latif, PVSM — now Governor of Maharashtra — Air Chief Marshal O P Mehra, PVSM — now governor of Rajasthan — and Air Chief Marshal H Moolgaonkar.

A team of IAF personnel, led by Wing Commander P S Brar, with a fleet of six blue-white hunter planes, nicknamed 'thunderbolts' demonstrated on Saturday last a rare display of aerobatics to a distinguished gathering at the airport for the first time in the city on the occasion of the Golden Jubilee celebrations of IAF.

CSO: 4220/7157

## INDUSTRY MINISTRY RELEASE 1981-82 ANNUAL REPORT

New Delhi PATRIOT in English 17 Apr 82 p 7

[Text]

Public sector undertakings under the Department of Heavy Industry are poised to make a profit of over Rs 24 crores during 1982-83, after suffering losses during the past two years.

Seventeen enterprises under the department had incurred losses of Rs 61.56 crores during 1980-81 but following various measures adopted by the Government, the trend was arrested and losses came down to Rs 31.83 crores during 1981-82 nearly half that of the previous year.

Annual report of the Industry Ministry for 1981-82 makes it clear that further measures to enable industrial undertakings to optimise production of existing capacity were contemplated.

Special emphasis will be laid on improved performance of public sector undertakings and further streamlining of industrial procedures and policies to ensure timely completion of projects as also higher capacity utilisation.

The report says that the public sector units under the Department of Heavy Industry are expected to achieve their production target of Rs 1800 crores for the year 1981-82 which would mean a growth of 34 per cent compared to the production achieved in the previous year.

Similarly, cumulative production of 17 public sector undertakings under the Department of Industrial Development during April-December 1981 was 40 per

cent higher than that in the corresponding period of 1980.

The report says that attention is also paid to the problems of backward regions, for reducing inequalities in regional development. The Government has increased the assistance through capital investment and concessional finance schemes.

In line with the industrial policy resolution of 1980, 61 districts and areas have so far been identified by 21 State Governments for launching the nucleus plant programme.

In order to set a quick assessment of the type of projects required in each district or area, their ancillary linkage and infrastructural needs, 24 task forces have been set up.

Reports have been received from seven task forces in respect of industrial locations at Goindwal Sahib in Amritsar district, Chandak in Puri district, Sangareddy, Zaheerabad, Medak and Siddipet in Medak district, Kangra, Solan and Sirmour districts in Himachal Pradesh, Alleppy, in Kerala and Anrangabad, Rainagiri, and Chandramy Districts in Maharashtra, and Jodhpur district in Rajasthan.

A quick identification of all the districts in the country has been made and concerned authorities have been directed for giving priority to those districts where no large or medium unit is in existence. Special attention has been paid to the north-east and the hilly areas.

## STEEL MINISTRY ISSUES ANNUAL REPORT FOR 1981-82

New Delhi PATRIOT in English 18 Apr 82 p 5

[Text]

The Government has planned to raise the installed capacity of crude steel in the integrated steel plants to nearly 20 million tonnes by 1985-90 to meet the upsurge in the demand.

It is estimated that the demand for steel will go up to 12.7 million tonnes by 1984-85 and to 18.4 million tonnes by 1989-90, according to the annual report of the Ministry of Steel and Mines for 1981-82.

The thrust will be on bars, rods, structurals, plates and hot and cold-rolled sheets.

This is sought to be achieved through a blend of schemes for modernisation and expansion of the existing units and creation of new capacities.

The major schemes among these are the expansion of Bhilai and Bokaro steel plants to four million-tonne stage each and the installation of Visakhapatnam and Paradip steel plants.

The Sixth Plan (1980-85) envisages an outlay of Rs 3734.72 crores for steel.

The year 1981-82 witnessed the recovery for the steel industry. Production of crude steel at the integrated steel plants increased by 19.7 per cent during April 1981-January 1982 compared to the corresponding period of the previous year. The contribution of mini-steel plants during April 1981-December 1981

was 1.93 million tonnes as against 1.47 million tonnes in the corresponding period of the preceding year.

The performance of the Indian steel industry gains special significance in the background of the declining trend in steel production the world over. In 1980, the world crude steel production was 718 million tonnes as compared to 747.5 million tonnes in 1979. Estimated production of 707.3 million tonnes in 1981 indicates a further drop of 1.4 per cent as compared to 1980.

In the first 9 months of 1981-82, the six integrated steel plants produced 5.19 million tonnes of saleable steel has been pared to 4.36 million tonnes in the corresponding period of 1980-81, representing an increase of 19 per cent over the previous year.

The performance of public sector steel plants would have been still better but for the constraints in regard to availability of coking coal, power as well as rail movement.

The Annual Report has revealed that a target of 6.47 million tonnes of saleable steel as compared for the five public sector integrated steel plants for 1982-83. This will mean 90 per cent capacity utilisation which will be the highest ever achieved so far.

CSO: 4220/7172

## COAL PRODUCTION FOR CURRENT YEAR SURPASSES TARGET

Madras THE HINDU in English 12 Apr 82 p 6

[Text]

NEW DELHI, April 11.

Coal production in 1981-82 has touched 125 million tonnes, exceeding the target of 121 million tonnes originally set by the Planning Commission and of 124 million tonnes fixed subsequently by the Energy Ministry. The production in the previous year was 114 million tonnes.

A target of 133 million tonnes has been set for the current year, but the Energy Ministry hopes to achieve 135 million tonnes.

Reports received from collieries by the Government show that productivity too has gone up from 710 kg per man shift in 1980-81 to 780 kg in 1981-82. The target for the current year is 790 kg per man shift.

The Energy Ministry has claimed that the benefit of increased production has been passed on to the consumers. Coal despatches to major consumers in 1981-82 reached 118 million tonnes recording an increase of 11.6 per cent over the previous year. Despatches to the power sector registered an increase of 21.4 per cent over 1980-81, to the steel plants 4.2 per cent, to the fertilizers plants 42 per cent and the cement industry 20.5 per cent.

As a result, the consuming industries have built up a comfortable level of coal stocks. The increase in despatches has been achieved through better coordination between the Department of Coal and the Railways.

As a result of the good performance in all directions, Coal India is expected to emerge as a profit-earning organisation for the first time in 1981-82.

## BRIEFS

**SOVIET OIL EXPLORATION**--Calcutta, April 12--Eight geophysicists from the Soviet Union are currently busy exploring oil in West Bengal and their scientists will be arriving here now for computer investigation. USSR consul general in Calcutta Y.P. Sepelev told newsmen here today that about 40 Soviet scientists will be arriving here next year to assist in the work of oil exploration. Addressing a press conference on the occasion of the 35th anniversary of establishment of diplomatic relations between India and the Soviet Union. Mr Sepelev said relations existing between India and the Soviet Union can very well serve as the model for relations between countries with different sociopolitical systems. Moreover, the consul general emphasised the strengthening of Indo-Soviet ties is in itself a guarantee for safeguarding peace and stability in the region as well as throughout the world. In reply to a question Mr Filatov, trade commissioner, USSR Trade Representative in Calcutta said this year the Soviet Union would buy from West Bengal 10 million metres of textiles. This would be a part of the total purchase from India of textile goods by the Soviet Union. [Text] [New Delhi PATRIOT in English 13 Apr 82 p 4]

**NEW RAJASTHAN DISTRICT**--Jaipur, April 13 (PTI)--Dholpur, the 27th district of Rajasthan would be formally constituted on 15 April, according to an official spokesman here. The State Government yesterday issued a notification giving status to Dholpur sub-division hitherto a part of Bharatpur district. The spokesman said the new district with its headquarter at Dholpur, would comprise four tehsils--Dholpur, Rajakhera, Bari and Baseri. [Text] [New Delhi PATRIOT in English 14 Apr 82 p 10]

**PUBLIC SECTOR TARGETS**--Production targets for all State-owned industrial manufacturing undertakings have been raised by at least 20 percent for 1981-82 over 1980-81 reports PTI. Eleven undertakings are expected to show a profit achieving a minimum of 85 percent capacity utilisation. Public sector undertakings under the Department of Industrial Development registered a 47 percent increase in production during the year 1981-82 over the previous year. Units like Cement Corporation of India and Madhya Paper Mill achieved 118 and 135 percent increase in production respectively last year and details Hindustan Cables, Hindustan Photo Films and Instrumentation Ltd and Cement Corporation of India, a capacity utilisation of more than 90 percent according to an official release. Thirteen manufacturing public sector undertakings under the Department of Industrial Production are expected to show aggregate profit during the year 1981-82. [Text] [New Delhi PATRIOT in English 17 Apr 82 p 7]



**ELECTRONIC VOTING MACHINES--**New Delhi, April 6--An electronic system of voting will be introduced for the first time in the country when about 100 machines are used in the forthcoming elections in Kerala on an experimental basis. The Chief Election Commissioner, Mr S.L. Shaktiher, said today that of the 200 machines which had been ordered, nearly 100 of them would be used for polling in one of the constituencies. He said voters' cards had been prepared in Sikkim. They would also be introduced in Meghalaya then gradually in other States. [Text] [Calcutta THE STATESMAN in English 8 Apr 82 p 9]

**MACHINERY TO RUSSIA--**Vijawada, April 11--The Andhra Pradesh Heavy Machinery and Engineering Limited (APHMEL) here will supply conveyor idlers and 18-tonne winches to the Soviet Union. APHMEL is a subsidiary of the Andhra Pradesh Industrial Development Corporation, a State Government undertaking. The exports worth Rs. 1.2 crores are to be effected through the Mining and Allied Machinery Corporation, Ranchi. The heavy engineering project located at Kondapalli near here is a people's project in that the people of Krishna district contributed Rs. 2.04 crores to promote industrialisation of the area in 1976. With the State Government contributing Rs. 2.13 crores, a Government company came into existence. The Rs. 13.6 crore project has been designed to produce leather processing and pharmaceutical machinery, fabricated chemical and material handling equipment, and bowl mills initially. Mr B. Rama Rao, Chairman, Mr R.P. Agrawal, Vice-Chairman and Managing Director and Mr K.R.K. Murthy, Executive Director of the company, told newsmen here on Saturday that already Rs. 7 crores had been spent and by next March the project would take full shape. The project had orders worth Rs. 12.7 crores as on date. The heavy machinery project was setting up facilities at Visakhapatnam to fabricate materials worth Rs. 6.17 crores for the Vizag Steel Plant. The Vizag unit would provide direct and indirect and indirect employment to nearly 1,000 people for at least six years. [Text] [Madras THE HINDU in English 12 Apr 82 p 10]

**MIRAGE PAPERS EXCHANGED--**Paris, April 16--An agreement with France to supply India with 40 Mirage-2,000 fighter planes from 1984 was signed here on April 8, "Le Monde" newspaper reported here today. The deal was worth 5,000 million francs (about Rs. 750 crores), the report said. "Le Monde" said the French Dassault-Breguet group, with representatives of the Snecma, Thomson-CSF and Matra firms, had exchanged letters with the Indian Defence Secretary, Mr P.K. Kaul. The exchange was accompanied by an advance payment by India of five percent or 250 million francs, (Rs. 38 crores) which would be repayable except for expenses incurred. According to the paper, the exchange of letters should be followed in the six months from April 1 by the drafting of the final agreement, but if the talks were not completed within this limit the exchange of letters would be taken as a firm contract. Under the deal, the French group will supply four two-seater versions for training and 36 single seaters. Le Monde said that under the arrangement, India had the option of acquiring another 110 planes, some of which would be assembled in India, while others would be built there under licence.--AFP [Text] [Madras THE HINDU in English 17 Apr 82 p 9]

## EXPORT PROCESSING ZONE PROJECTS BEING CONSIDERED

Karachi DAWN in English 30 Apr 82 p 25

[Text]

The Board of Directors of the Export Processing Zone (EPZ), Karachi, will meet next month to consider four matured projects involving an investment of 144 million dollars, it was learnt from EPZ sources.

The projects include tractor unit, fertilizer plant and margarine solvent extraction unit.

The export from the Zone is expected to start from August, 1982.

The sources said that out of 65 applications received, 19 projects had so far been sanctioned. He said that the first project of the Zone, Aerosols Perfume, a Dubai concern, will go into trial production in July next. He said that Pak-South Korea joint venture of garment manufacturing would also go into trial production in January, 1983. The third project to go into trial production would be computer cards and art printing.

The sources added that three more parties had signed agreements with the Zone authority. Construction work on factory buildings would start.

To a question, the sources said, that infra-structure facilities, such as road, water, electricity, gas and telephone are available for each industrial plot.

The Zone has been set up on 200 acres of land and Rs 317 million spent on infra-structure facilities. The Zone will be complete by June, 1983.—APP

**WORKERS CALL FOR SOLVING PROBLEMS**

Karachi DAWN in English 30 Apr 82 p 20

[Text] The United Workers Federation delegates meeting concluded after adopting 11 resolutions on high cost of living, restoration of civil liberties and democracy, teachers' problems, rights of women, solution of problems of nationalised banks and other financial institutions, etc. says Press release.

The meeting attended by 138 delegates of its 72 affiliated unions, elected following for the Sind Provincial Committee: Mr Qamoos Gul Khattack--President; Mr Karamat Ali and Haji Khan--Vice-Presidents; Mr Abdus Salam--General Secretary; Mr Shafi Mohammad Kalhora--Finance Secretary.

Its open session deliberated on the problems facing the workers and pledged to continue their struggle for the solution of workers' problems and the setting up of a democratic and just society.

The conference was addressed, among others, by Mr Nabi Ahmad, Central Secretary General; Mr Nayab Naqvi, Central President; Mr Abdus Salam, M. Qamoos Gul Khattack and Mr Karamat Ali.

**No Protest Rally**

A Press release of the All-Pakistan Postal Employees Union Central declared that there would be no agitation or black day rallies for the acceptance of their demands in view of an assurance of the Federal Labour Minister to a delegation led by Mr Khurshid Ahmad, member Majlis-e-Shoora, which met the Minister on Wednesday.

**Joint Statement**

Mr Birjees Ahmad, Organising Secretary and Mr Rafiq Ahmad, Sr., Vice-President of the Pakistan Transport Workers Federation, have in a joint statement expressed concern over the ban on trade union activities in PIA, delay in referendum in the Railways, and the students unrest.

Pakistan Transport Workers Federation convention will be held on May 3 at Malir Youth Club (Malir City) at which Prof Shafi Malik will be the chief guest, they added.

Meanwhile, Mr Abbass Ba'Wazeer, President of the Federation, in a separate statement said that the Federation would take the PIA labour issue to an international forum if the matter was not resolved amicably.

CSO: 4220/561

**JOURNALISTS' UNION DEMANDS RAISE IN SALARY**

Karachi DAWN in English 30 Apr 82 p 17

[Text]

The two-day conference of the Executive Council of the Pakistan Federal Union of Journalists (Rashid Siddiqi group) which concluded in Lahore, on Wednesday has demanded from the Government and the newspapers' proprietors, 50 per cent raise in the salary of the employees of the newspapers in view of increasing and abnormal rise in the cost of living, says a Press release of the PFUJ issued here.

The conference which was presided over by Mr Rashid Siddiqi referred to the discussions the journalists had with President Gen Mohammed Zia-ul-Haq at a reception in Lahore during the conference urging upon the Government to take immediate steps in connection with raise in the pay of salaried class people.

The Federal Executive Council unanimously adopted a number of resolutions on the concluding day of the conference.

By a resolution the PFUJ condemned the desecration of the Aqsa Mosque by the Israeli soldiers where a few innocent Muslims were killed in the indiscriminate firing.

The meeting, on behalf of journalists of Pakistan extended their wholehearted cooperation and support and solidarity to the Palestinian people in their just struggle.

By another resolution, the PFUJ Council urged upon the Government to implement the agreement arrived at between the APP employees and the Management on 17-9-1977 for providing pension facility to the employees of the Associated Press of Pakistan.

The resolution said that a Labour Court No. 6 of Punjab had also upheld the agreement but it has not been implemented so far.

The Council urged the Government to honour the agreement and provide pension facilities to APP staffers from Jan 1, 1977.

The Executive Council, by yet another resolution, appealed to the Government to set up a Benevolent fund for the journalists who become disabled or die during their service, by Benevolent Fund for the Journalism from the Government advertisements to the newspapers.

The meeting also welcomed the assurances of the provincial Governor and the President to provide housing facilities to the journalists.—PFI.

**COTTON CROP AREA ESTIMATES**

Karachi DAWN in English 30 Apr 82 p 9

[Text] Islamabad, April 29--The second estimate for the year 1981-82 places the areas under cotton crop at 2,167,000 hectares which is 2.8 percent higher than the previous year's finally estimated area of 2,108,500 hectares, according to all Pakistan second estimate of cotton crop for the year 1981-82 released by the Ministry of Food, Agriculture and Co-operatives.

The production of the crop, according to the estimate is estimated at 4,447,900 bales which is 5.9 percent higher than the last year's production estimate of 4,201,000 bales (375 lbs. each).

The provincial breakup of the estimate is as under:

**Punjab**

In Punjab cotton is reported to have been planted on 1,558,000 hectares this year compared to 1,586,200 hectares reported in the final estimate of 1980-81. It thus shows an increase of 3.4 percent. Likewise the production also indicates an increase of 3.7 percent estimated at 2,893,700 bales this year as compared to 2,789,300 bales of the previous year. The increase in area and production is attributable to favourable weather conditions at the time of sowing and better economic returns received last year.

**Sind**

The area and production of cotton crop in Sind province for the year 1981-82 is estimated at 605,600 hectares and 1549,300 bales as compared to 599,000 hectares and 1,406,900 bales reported in the final estimate of 1980-81. The area thus indicates an increase of 1.1 percent and the production arise of 10.1 percent. The increase in area and production is attributable to attractive price structure announced by the Government, better cultural practices adopted by growers and application of more inputs due to campaign launched by the Agriculture Department.

## NWFP

Cotton crop is estimated to have been cultivated on an area of 2,5000 hectares in NWFP and shows an increase of 8.7 percent over last year's final estimate of 2,3000 hectares. The production, the crop indicates an increase of 10.7 percent. It is estimated at 3,100 bales compared to 2,800 bales finally estimated last year.

## Baluchistan

In Baluchistan cotton is grown on nominal scale. This year the area under the crop is estimated at 900 hectares and its production at 1,800 bales compared to 1,000 hectares and 2,000 bales reported in the final estimate of last year 1980-81.--PPI

CSO: 4220/561

## BRIEFS

**STUDENTS BLOCK CROSSING**--The supporters of Karachi University Students Union yesterday locked the level crossing at Gilani Manzil, Nazimabad, for about half an hour, says a KUSU Press release. The police opened the lock after the students had dispersed. [Text] [Karachi DAWN in English 30 Apr 82 p 6]

**BALUCHISTAN FISH OUTPUT**--Quetta, April 29--The annual fish catch in Baluchistan has now touched the seventy thousand metric tonnes mark as a result of the incentives and facilities given by the Government. More than 88 percent of the fish is being exported. According to a report the facilities given to fishermen include mechanisation of the fishing fleet, distribution of over three hundred marine diesel engines, modern fishing gadgets and financial assistance in the form of grants and credits. Meanwhile, leading jetties are being constructed along the provincial coast. Mini fish harbours at Gawadar and Sonmiani have also been planned. Implementation of a fisheries development project financed by the UNDP has also started at Pasni.--APP

**PROPORTIONAL REPRESENTATION ELECTIONS DEMANDED**--Lahore, April 29--Former Federal Minister and a leader of the defunct Jamat-i-Islami Chaudhri Rehmat Elahi called upon the Government to take effective measure to protect life, property and the honour of the people and eradicate bribery and corruption. Addressing trainees of a course here Tuesday, he also called for holding of general election under separate electoral system on the basis of proportionate representation. He said that the need for identity of views and ideological and political stability was enhanced manifold in view of the delicate internal and external situation faced by the country. He said that some persons and sections holding different ideologies were trying to disrupt the unity of the nation. Under these circumstances, he said, it was necessary to keep the national unity and only identity of view could provide basis for unity. The former Minister said that in spite of the announcement by the Government to introduce Islamic laws the same could not be implemented because of the half-hearted approach of the Government machinery. He called for appointment of such talented persons on key posts as had a firm belief in Islam with their practical life testifying it.--PPI [Text] [Karachi, DAWN in English 30 Apr 82 p 9]



**BALUCHISTAN TEACHERS' DEMANDS--**Quetta, April 29--Baluchistan Professors' Association and Action Committee of Baluchistan Lecturers' Association have called for sympathetic attitude on part of the Government to solve problems faced by teachers and accept their genuine demands. Syed Khalil Ahmad, President of Professors Association and Mr Asif Akhtar, acting Chairman, Action Committee of Lecturers Association told a news conference addressed by them jointly in Quetta on Tuesday that teachers were forced to launch their struggle which, they said, would continue till acceptance of their demands. They regretted that the Government had failed to appreciate genuineness of teachers' demands. The struggle, launched by teachers, they pointed out, had brought them on one platform and hoped that the Government would accept their demands. Syed Khalil and Mr Asif said that if the demands were not met, the teachers would have no option but to completely boycott work from May 5 for an indefinite period till acceptance of their demands. [Text] [Karachi DAWN in English 30 Apr 82 p 18]

**500 SCHOOLS EACH YEAR--**Quetta, April 21--The Baluchistan Government has decided to open primary classes in mosques and madaris. This was stated by the provincial Education Secretary, Mr Fateh Khan Khajjak, while addressing the annual prize distribution function at the Islamia High School here. He said the Government had decided to open five hundred primary schools annually as against one hundred primary schools every year in the past. The Education Secretary said the Government had also undertaken a comprehensive programme for providing residential accommodation to the teachers. He said during the current financial year a substantial amount is being spent for this purpose. More funds will be earmarked during the next year.--APP [Text] [Karachi DAWN in English 30 Apr 82 p 19]

CSO: 4220/561

## LABOR MINISTER WARNS ON NPA THREAT

Manila BULLETIN TODAY in English 17 Apr 82 p 36

[Article by O.V. Masaganda]

[Text]

**LUCENA CITY, April 16**— Labor Minister Blas Ople asked today all sectors of the society, including the media, to mobilize against the threat and aggression to the New Republic.

Minister Ople arrived here this morning with Assemblyman Medardo Tumagay. He was guest speaker of the Quezon-Lucena media network and inducted the new set of officers at the Tourist Hotel here in the afternoon.

In his speech, the labor minister urged the media men and Quezon officials to be vigilant against the threat of the New People's Army capitalizing on the labor movement. Some labor leaders in a desiccated coconut factory in Quezon were arrested last year by the Quezon Constabulary command for alleged subversive activities including three young amazons. The labor leaders were released after Minister

Ople sought the assistance of Defense Minister Juan Ponce Enrile. It was, however, learned that the labor leaders, including the young amazons, were under house arrest after Minister Ople intervened.

Lt. Col. Ricarido Sarmiento, Quezon PC commander, said that some of those under house arrest could not be found and reportedly hiding.

Ople also said that there are some 2,000 illegal recruiters all over the country. Out of the 2,000 recruiters for abroad only 14 that were properly charged and convicted in court.

Ople added that he will sign a memorandum of agreement with Deputy Prime Minister Jose Roño of the local government to deputize provincial, city, and municipal mayors as labor recruiters in their respective areas to avoid the existence of illegal recruiters for abroad.

CENTRAL BANK SILENT ON BALANCE OF PAYMENTS

Manila PHILIPPINES DAILY EXPRESS in English 20 Apr 82 p 10

[Article by George T. Nervez]

[Text] The Central Bank has been unusually silent during the first three months this year on the trade performance, foreign exchange transactions, economic and financial developments affecting the country.

The CB traditionally made public monthly data on the trade, Balance of Payments (BOP) and capital flows which indicate the country's economic performance during the period.

In addition, the CB submits to the President a quarterly report reviewing the highlights of developments in the domestic and external sectors.

The CB has been delayed in making the reports public because of a three-month lag in the gathering and collation of data by the National Census and Statistics Office (NCSO), CB Gov. Jaime C. Laya said recently in answer to questions regarding the periodic reports.

He added that the CB may altogether scrap the monthly reports on the foreign exchange receipts and disbursements or the BOP.

The monthly reports are really not that meaningful and oftentimes create misimpressions because of the wide fluctuations in the trade and BOP data on a month-to-month basis, Laya pointed out.

In the past, CB also made public monthly indicators on the purchasing power of the peso and the consumer price indices.

The periodic reports have not been available since the gathering and preparation of the data were transferred from the CB to the National Economic and Development Authority (NEDA).

The prolonged CB silence on economic and financial developments has stirred speculation in the private sector who rely on the economic indicators for ongoing and future activities.

CSO: 4220/562

## SHARIAH INSTITUTE UNDERWAY

Manila BULLETIN TODAY in English 18 Apr 82 p 4

[Text]

**MARAWI CITY.**  
April 17 — Government efforts to activate Islamic courts in Southern Philippines have gone full swing, with the start of the first shariah institute at the Mindanao State University here.

About 60 Maranaw lawyers, law graduates, and Islamic leaders are participating.

According to newly inducted regional director Solaiman Macatoon of the Ministry of Muslim Affairs, the shariah institute, which will last for about two months, will refresh the participants of their knowledge of Islamic personal laws.

He said the participants, who will be appointed judges and fiscals and accredited as Islamic lawyers, do not have to finish an academic course in law but must be experts on the teachings of the Koran and pass the special bar examinations which the government will give after the seminar.

"This is so because Muslim personal laws are primarily anchored on the teachings of Islam which the Philippine government recognized when President Marcos signed into law Presidential Decree 1083, the Muslim Code of the Philippines, on Feb. 4, 1977," Macatoon said.

He added that the shariah will have jurisdiction over civil cases and settle family feuds.

Muslim Affairs Minister Romulo Espaldon and Justice Deputy Minister Jesus N. Borromeo said at the shariah institute's opening ceremony that the Supreme Court will supervise the Islamic courts.

Muslim leaders led by regional director Nombraan Pangcoga of the National Cottage Industry Development Authority (Nacida) hailed the shariah as "another bridge leading towards the ultimate solution of the nine-year-old Mindanao conflict." (CANJR).

CSO: 4220/562

## INVESTMENT CLIMATE SOUND

Manila BULLETIN TODAY in English 18 Apr 82 p 10

[Text]

The political environment for Australian investment in the Philippines remained sound compared to opportunities in other developing countries, Australian ambassador Richard Woolcott said the other day.

Addressing members of the Australian Chamber of Commerce and Industry, he said he expected to see both a further increase in Australian investment in the Philippines, as well as increasing trade between the two countries during the rest of this decade.

Woolcott told Australian businessmen: "When one examines the range of Third World countries, the Philippines emerges favorably. It is En-

glish-speaking with a relatively good level of skilled workers. It is supportive of the free enterprise system and encourages foreign investment."

He pointed out that the Philippines provided a range of incentives for foreign business investors and had established well-documented rules governing investment.

Woolcott said that Australian investment here had increased significantly in the last four years. There were now 86 Australian equity investments in Philippine corporations.

"Our two largest investments, both of which were concluded last year, are in the Philippine Steel Coating Corporation and in

Consolidated Industrial Gases Incorporated," he said. "In each case the Australian interests have a forty per cent shareholding.

"A Double Taxation Agreement between Australia and the Philippines entered into effect in 1980 and this is expected to further stimulate the level of Australian investment here."

Woolcott said that the Philippine economy had been placed under strain in 1981. However it was a reflection of the internal resilience of the economy and the competent handling of a difficult situation by the country's key economic managers that this situation had not deteriorated further.

## FOREIGN MINISTER URGES EXPORTS

Manila BULLETIN TODAY in English 18 Apr 82 pp 1, 11

[Text]

Foreign Minister Carlos P. Romulo called for new and more aggressive ways of expanding the country's income from external trade and commerce.

Speaking before the Chamber of International Trade, Romulo cited the current RP exhibit of KKK products in New York's Bloomingdale's department store as "an imaginative approach to the sale of our products abroad."

"Because of the worldwide slump in our traditional exports, it is vital that we look for overseas markets for our non-traditional products," he said. "The creative KKK marketing approach in the US will perhaps have to be replicated in market economy countries like Canada, Australia and the Euro-

pean economic community member-states," he added.

Stating that the Philippine foreign service has placed heavy emphasis on economic diplomacy, Romulo pointed out the RP diplomats are accelerating their trade promotion work to discover and exploit new markets, particularly for non-traditional exports such as handicrafts, textiles and leather goods.

"It is perhaps not keenly perceived but one of the basic functions of the country's foreign service is to help accelerate and enlarge the trade and business opportunities of the people it represents," he declared.

CSO: 4220/562

## FREE ELECTIONEERING ASSURED

Manila BULLETIN TODAY in English 18 Apr 82 pp 1, 11

[Text]

The commission on elections assured the people yesterday they would be free to discuss election issues during the 15-day campaign period of the May 17 non-partisan barangay polls.

Chairman Vicente M. Santiago, Jr., said no permit for a meeting will be denied on the ground that the prohibition against organized partisan campaigns may be violated.

He said the Comelec had issued rules to give relevance to the election campaign by focusing attention of voters on the qualifications of candidates and the problems of their communities.

Santiago said the rules are in keeping with the spirit and intent of the law to insulate the election from influence of political parties and other organized political groups.

The Comelec chief said the poll body's resolution calls for the holding of a pulong-pulong or meeting in each barangay where the candidates will appear together and explain their programs of

administration, qualification, and other information that may help voters to decide whom to vote.

Each barangay, Santiago said, may hold as many meetings as may be necessary to give candidates equal opportunity to present their platforms. At least one meeting should be held in each barangay not later than May 11.

The meeting should be called by the barangay captain if he is not a candidate or, if he is a candidate, by a registered voter in the barangay designated by the election registrar or any authorized Comelec representative.

During the campaign period from May 1 to May 15, any candidate may hold individually or jointly with other aspirants peaceful rallies, meetings, house-to-house campaign or similar political rallies.

A public meeting or rally may be held upon written request of a candidate and subject to local ordinance.

## NEW LABOR BILL BACKED

Manila BULLETIN TODAY in English 18 Apr 82 pp 1, 9

[Text]

The Employers Confederation of the Philippines (ECOP) underscored yesterday the urgency to regulate picketing and ban the use of scabs in strikes, "the alarming increase of which contributes greatly to the worsening economic crisis."

In a meeting of its board of directors, the ECOP also registered its support for the immediate enactment into law of Cabinet Bill 49 to strengthen the Labor Code provisions on picketing and the use of scabs during strikes.

Particularly cited

were the provisions on injunction in Article 255, on prohibited activities in Article 265, and on relief against unlawful acts in Article 266.

Aurelio Periquet, Jr. and Raoul H. Inocentes, ECOP president and labor committee chairman, respectively, said the strengthening of the Labor Code will go a long way towards solving problems now being experienced in a strike-bound firm, and will particularly help avoid unnecessary violence at the picket lines.

CSO: 4220/562



## AIRPORT SECURITY OPERATIONS 'STREAMLINED'

Manila BULLETIN TODAY in English 17 Apr 32 p 13

[Article by C.R. Rosales]

[Text]

**MANILA INTERNATIONAL AIRPORT, April 16** — Airport General Manager Luis Tabuena has initiated major change in the airport police setup "to streamline MIA's overall operations."

Effective immediately, he designated Col. **R i c a r d o** Buenaventura, former supervisor of the airport security force (ASF), as officer-in-charge vice Major Johnny Coscolluela, who, Tabuena said "is elevated to the position as MIA manager's technical adviser on police matters."

Tabuena said a select group, to form the country's premier airport's "cream of the crop," will be picked out from the present

complement of 120 men, many of whom will be posted to less sensitive areas.

The airport chief, however, admitted that the present number of MIA's police force is inadequate to handle the gigantic task of security requirements for the huge complex.

He said about 300 men would be required to meet the present need for adequate airport security.

"With this number, only one security agency will be necessary to augment this contemplated strength of the MIA police force," Tabuena added.

He explained that

the presence of aviation security command (Avsecom) force is still necessary "as standby reaction force" in accordance with President Marcos' Letter of Instructions (LOI) No. 961.

"Avsecom will remain as our umbrella in case of emergency, like hijacking, other security risks or threats to national security," Tabuena stressed.

He said that at present there are too many agencies, including private ones unnecessarily involved in trying to implement airport security.

He said he has still to see that day, probably when MIA will

already become an airport authority, when only one police security force "answerable only to the MIA manager" will man the whole complex and enforce its true functions, including arrest powers. He said at present for traffic violations, his men cannot effect arrests, but they had to call constabulary highway patrol group (CHPG) officers to do it for them.

Even in overseeing the handling of the now controversial entrance tickets, Tabuena said he wished it would be entrusted solely to members of MIA's police force who could be directly responsible to him.

## SHELL INVESTMENT IN PELLET FACTORY

Manila PHILIPPINES DAILY EXPRESS in English 20 Apr 82 p 10

[Article by Rosario A. Liquicia]

[Text]

**SHELL** Energy Development Enterprises, Inc. (SEDEI), the newly-formed local subsidiary of Shell Petroleum N.V. of Netherlands, is embarking on a P67.79-million project to produce pellet fuel from pineapple wastes.

This pellet fuel, a non-conventional energy resource, can replace fuel oil to run boilers. This can be processed out of cellulose agricultural wastes, notably residual pineapple plants.

The project, to be set up in Bugo, Cagayan de Oro, has been approved by the Board of Investments (BOI) on a pioneer status at a capacity of 50,000 metric tons annually.

Financing for the project will be sourced from loans of P42.3 million and the balance from equity. Raw materials, on the other hand, will be secured from Philippine Packing Corp. canning plant which will also be chief buyer of the product.

Projected sales of the company for five years is estimated at P198 million.

The new Shell subsidiary has an authorized capital of P16 million, P4 million of which is subscribed and

paid-up. It joins the growing number of Shell companies in the Philippines involved in oil and non-oil activities.

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**IN ANOTHER** development, the BOI approved the P26.58-million manufacturing project of Chemphil Manufacturing Corp. and the P18-million semiconductor devices project of Analog Devices.

Chemphil will manufacture xanthates, a chemical compound used primarily for copper ore flotation operation of local mining firms. The project is now being imported.

Chemphil plans to finance its project through a P19-million loan and equity contributions of P7.3 million. It also plans to sell its products directly to end-users, primarily mining firms. Projected sales for three years is placed at P29.93 million.

Analog Devices, Phils., a subsidiary of the American semiconductor firm, will engage in the manufacture of semiconductor devices and their parts and components. Entire production will be absorbed by the American company which will also supply the raw materials.

## NEW EXPORT ZONE BUDGET SET

Manila PHILIPPINES DAILY EXPRESS in English 19 Apr 82 p 16

[Article by Rosario A. Liquicial]

[Text]

THE Export Processing Zone Authority (EPZA) will require P2.14 billion for the establishment and development of 19 export processing zones and industrial estates throughout the country between 1982 and 1986.

This financial requirement is contained in the proposed corporate plan (1982-1986) of EPZA. As outlined, a major portion of the funding requirement will be sourced from general funds or government appropriations.

A significant position will be obtained from foreign and local borrowings and through bond flotation. Eyed as foreign sources of funds are the World Bank and the Overseas Cooperation Fund of Japan. For the peso borrowings, EPZA plans to tap the Development Bank of the Philippines.

...

INCLUDED in the 19 zones outlined in the corporate plan are the three existing ones in Mactan, Batasan and Baguio, and the two which

are now under implementation - Cavite and Pampanga.

The rest include Davao City, Albay in Bicol, San Fernando in La Union, Zamboanga City, Tacloban City, Port Irene in Cagayan, Carrimau in Ilocos Norte, Infanta-Real in Quezon, another zone metropolitan Cebu.

EPZA also plans to put up industrial estates in addition to the export zones in the following sites: Cagayan de Oro, Iloilo, Bacolod, Batangas and Sacobia.

...

BY 1986 or when all 19 zones and estates are operational, EPZA projects show, total exports from these areas will reach \$1.28 billion.

Last year, the combined exports of the three existing EPZs were \$216.8 million. This year the amount is expected to reach P241 million.

By 1983, when Pampanga and Cavite zones are to become operational, EPZA projects to gross \$325 million from export of firms in existing EPZs.

## LENDING TARGETS SET

Manila BULLETIN TODAY in English 19 Apr 82 p 24

[Text]

The Development Bank of the Philippines has almost completed raising the foreign financing required to support its lending program for 1982 that is estimated at P6.5 billion.

Most of the foreign funds raised by the DBP are long-term and fixed-cost and only about \$125 million will come from Eurodollar borrowings whose interest rates are floating based on the London inter-bank offered rate or the Singapore inter-bank offered rate.

Sources at the DBP disclosed that about \$700 million in foreign funds have all but been

firmed up by the development bank at this stage.

Only about \$100 million, consisting of the proposed \$75 million Eurodollar loan and a five billion yen (equivalent to \$25 million) floating rate bonds, is still being worked out.

The bankers' response to the proposed syndication of the \$75 million loan was reported to be "favorable" with the Long-Term Credit Bank of Japan Ltd. figuring an important role in the syndication.

The proposed yen bond issue is scheduled to be made by the third or fourth quarter of this year.

DBP's fixed-cost funds already arranged consisted of the \$150 million textile modernization program obtained from the World Bank, some \$300 million in various suppliers' credits from foreign countries that is to match the WB financing, a \$40 million credit line from the WB for the small and medium-scale industries, and the \$85 million credit line obtained under the Apex funding of the Central Bank.

To complete the lending package, the DBP is to continue its regular auction of countryside bills for which some P500 mil-

lion is authorized during the year.

Sources at the DBP likewise revealed that the bank will push the utilization of its cheaper fixed-cost funds raised from commercial borrowings which are at relatively higher costs based as they are on market rates.

For instance, the textile modernization fund consists of a suppliers' credit which is a thirteen-year money at not more than 8.5 per cent interest cost per annum, and the WB loan which is for 20 years at not more than 11.6 per cent per annum.

These represent the cost of the funds to the DBP.

CSO: 4220/562

STEEL PROJECT IN DOUBT

Manila PHILIPPINES DAILY EXPRESS in English 19 Apr 82 p 16

[Text]

FOREIGN companies which are bidding to supply requirements for the expansion of iron and steel production facilities of National Steel Corp. in Iligan are reported to be having serious doubts about the viability of the project.

The expansion program which replaced an earlier plan to put up an entirely new integrated steel complex calls for the construction of three separate facilities.

These are an iron factory, a steel plant and a rolling mill.

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THE NSC increased the planned rated capacity of the iron factory from 800 million metric tons to 1.4 billion tons annually. The increase would mean a rise in cost for the iron sector alone from about \$200 million to anywhere from \$600 million to \$800 million.

The foreign companies have also

pointed out that the proposed site for the additional facilities is a hilly area. Complete site development could run up to \$40 million.

As a result, it was pointed out that it would become cheaper if the existing facilities of Iligan are transferred to a flat area in Luzon near an area with adequate power supply.

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BECAUSE of the cost factor, some companies think that National Steel is not really that serious in implementing the project.

So far however, three major groups have already submitted bids for the steel project. These are the groups composed of Lurgi of Germany and Voest Alpine of Austria; Kawasaki Heavy Industries of Japan and Krupp Polysius of Germany and Davy McKee of Britain and Direct Reduction Co. of the United States.

CSO: 4220/562

## CHROME ORE DISCOVERY REPORTED

Manila BULLETIN TODAY in English 19 Apr 82 p 27

[Text]

Benguet Corporation, which is now in the midst of a full-blast expansion program for its Masinloc chromite operations in Zambales, has discovered a low-silica orebody near the previously mined-out Coto open pits.

Benguet said that the new orebody is more easily accessible and is estimated tons of low-silica chromite which, in combination with existing higher silica reserves will be able to support an additional 10 years of operations.

The company further said that in view of the need for additional drilling to fully delineate the deposit and to develop a suitable

underground mining method, it will take at least two years to place the new orebody in production.

In the interim low-silica ore will be sourced from the new open pit which will commence production by the third quarter this year.

Benguet's earnings from its 70 per cent share of the net receipts under the new contract with Consolidated Mines amounted to P14.7 million, an increase of 83 per cent over the 1980 figure.

It said that production goals for 1981 in Masinloc were substantially attained. However, actual shipments fell by 24 per cent below original

forecasts as steel production and refractory chromite sales in the United States, Europe and Japan weakened during the second half of the year due to recession.

As a consequence of the discovery of a new chromite orebody, Benguet has deferred the development of the lower western orebody. It is committed to spend P90 million in development during the next three years.

After full year of operation of the Masinloc chromite property under the revised profit-sharing contract, Benguet is now the world's largest producer of refractory chromite.

CSO: 4220/562

## RICE PRICING PROGRAM URGED

Manila BULLETIN TODAY in English 18 Apr 82 p 40

[Article by J.J. Lacuarta]

[Text]

**SAN FERNANDO, Pampanga, April 17—** The Bulacan Millers association urged President Marcos the other day to set up a rice pricing scheme to lessen the economic burden of consumers, especially low-income groups.

Magdalena L. Santos, association president, wrote the President saying that the projected increase in palay price from P1.60 to P1.85 a kilo would ultimately impose an "additional burden" on consumers, particularly wage-earners.

In establishing the rice pricing scheme, Santos suggested that first class rice be sold at P3.50 a kilo or P1.75 per 50-kilo bag; and that second class rice be sold at P2.75 or P137.50; and third class rice at P2.50 or P125.

The current retail price of rice, regardless of class, is P2.45 per kilo.

The proposed pricing

scheme would reportedly be felt only slightly by the low-income group as the price of first class rice which is intended for the high-income bracket, would be increased much more substantially.

Santos said that the second and third class rice, although of inferior quality, are, however, more nutritious as proven in tests.

Second and third class milling yield by as much as 63 and 66 cavans of rice, respectively, per 100 cavans of palay milled, Santos said, while first class milling yields an average of 60 cavans.

The suggested prices would enable millers to buy palay from the farmers at P1.80 per kilo and sell second and third class rice at prices consumers can afford.

Santos also asked President Marcos to require retailers to display and sell all classes of rice to give consumers a choice.

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